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The Influence of Francis Hutcheson on the Development of Economic Thought.

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THE INFLUENCE OF FRANCIS HUTCHESON ON THE
DEVELOPMENT OF ECONOMIC THOUGHT.

The Louisiana State University and
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THE INFLUENCE OF FRANCIS HUTCHESON
ON THE DEVELOPMENT OF ECONOMIC THOUGHT

A Dissertation

Submitted to the Graduate Faculty of the
Louisiana State University and
Agricultural and Mechanical College
in partial fulfillment of the
requirements for the degree of
Doctor of Philosophy

in

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ABSTRACT

This dissertation is concerned primarily with the ideas of Francis Hutcheson about the nature of man, economic life, and economic institutions. Hutcheson is considered by many to be the founder of the Scottish Enlightenment, and he instructed Adam Smith at the University of Glasgow.

Hutcheson's positive contribution to moral philosophy centers around his doctrine of the moral sense which was an internal faculty capable of apprehending good and evil. The moral sense also dictates certain duties of the virtuous life including the development of wise forms of polity and improvement in technological processes. The analysis of economic phenomena constitutes a part of wise statecraft and as such is included as a part of the life of virtue.

Hutcheson's philosophical work provides a strong underpinning for liberal economics, because freedom will allow many men to follow the dictates of the moral sense. Therefore, decent behavior as well as economic growth are to be expected from the extension of liberty. This is very different from the spirit of Mandeville's private-vices-public-benefits paradox.

Hutcheson's positive economic work added to the growing corpus of economic theory. His importance for modern economists is that policy recommendations are thoroughly grounded on objective principles of good. Economics and moral relativism do not go hand in hand

for Hutcheson. He is similar to modern liberals in the flexible approach he takes toward government, but Hutcheson's flexibility concerns the means to be used in attaining objective moral ends.

Hutcheson's treatment of wise statecraft as part of the life of virtue leads to the legitimation of economics as an autonomous science. The outstanding early example of an autonomous economic study came thirty years after Hutcheson's death with the publication of the Wealth of Nations by Adam Smith.

INTRODUCTION

Francis Hutcheson was born August 8, 1694. He was the son of a dissenting minister in Northern Ireland. Hutcheson studied the classics and scholastic philosophy in Ireland until 1711 when he matriculated at the University of Glasgow to study for the ministry. One of Hutcheson's professors at Glasgow was Gershom Carmichael, a well-known commentator on the works of Samuel Pufendorf, a famous German jurist. In 1717 Hutcheson returned to Ireland with intentions of entering the Presbyterian ministry. In 1719 he was licensed to preach by the Synod of Ulster.

By 1719 Hutcheson had some reputation in Northern Ireland as a classical scholar; and before he accepted a full-time pastorate, he was requested by clergymen in Dublin to open a private academy there. While in Dublin Hutcheson developed a friendship with Lord Viscount Molesworth, a wealthy merchant, diplomat, and student of philosophy. Molesworth was particularly a student of the philosophy of Anthony Ashley Cooper, the third Earl of Shaftesbury who first expounded the moral sense doctrine which was more fully developed by Hutcheson. Under the impetus of Shaftesbury's philosophy, Hutcheson published his first book in 1725, An Inquiry Into the Original of Our Ideas of Beauty and Virtue. In 1728 the Essay on the Passions further established Hutcheson's reputation as an author, and in

1729 he was called to Scotland as Professor of Moral Philosophy at Glasgow where he instructed Adam Smith.

Hutcheson served at Glasgow for sixteen years. While there he was a leader in the "new light" movement which sought to introduce learning and culture into the Presbyterian Church. He was a thinker, lecturer, and writer upon ethical, political, and economic issues. He had a gift for teaching, and his writings were well known among intelligent readers of his day. He was beloved by students for the sincere interest he took in them. Hutcheson died while on a trip to Dublin on August 8, 1746 at the age of fifty-two.¹

What contribution to knowledge can a study of Hutcheson's works make? To answer this question we must answer the more general question; "What contribution to the knowledge of economics does the discipline of history of economic thought make?" The study of history of economic thought should be divided into two parts for purposes of clarity - history of economic analysis and history of economic thought. History of economic analysis is the study and exposition of the historical development of the tools of technical economics. The value of this lies in gaining a deeper understanding of economics and the problems which early economists were attempting to solve. History of economic thought is concerned with changes in ideas about man and the world that has caused changes

¹William Robert Scott, Francis Hutcheson (New York, 1966), pp. 4-145. Also see the preface by William Leechman to Francis Hutcheson, A System of Moral Philosophy (Glasgow, 1755), pp. i-xlvi. See the bibliography for a note on Hutcheson's works.

in the understanding of economic activity and has influenced the development of economic institutions. This type of study gradually leads to an understanding of ideas concerning man and the world that shapes contemporary economic institutions. An attack or defense of existing institutions can then take place based on the truth or falsity of underlying ideas.

The present study of Hutcheson will include history of economic analysis and history of economic thought with emphasis placed on the latter. My thesis is that with the development of modern science (Galileo, Descartes, Newton) the modern view of nature and reason arose which gradually replaced the ancient view of nature (Plato, Aristotle, St. Thomas Aquinas). The ancient view is that nature is an internal principle of growth toward an end. For instance, nature directs that the end of an acorn when planted is an oak. The reason of man was thought to be sufficient for knowing or seeing the ends of things including the end for man himself. The modern view of nature is one of atoms in motion which are moved by external forces. Reason can aid us in understanding the movement of bodies but can tell us nothing of teleology.

Hutcheson occupies a mediate position between ancients and moderns. At times he views nature as an internal principle of growth toward an end, but he says explicitly that reason cannot apprehend the end. This seems to be inconsistent; for how can we know that an end exists if reason cannot know the end. Hutcheson solves this dilemma with his doctrine of the moral sense, an internal faculty

(not reason) capable of knowing the ends for man. Through the moral sense doctrine, Hutcheson develops his position as a proponent of political and economic liberalism, and a founder of a type of invisible hand doctrine. By means of the moral sense, Hutcheson develops the idea of the life of virtue as part of the good for man, and through his treatment of the virtue of justice provides a powerful basis for the emergence of economics as an autonomous science.

The relationship between Hutcheson's moral philosophy and his economics has never been explored adequately by other writers. Most of the literature on Hutcheson deals only with his philosophy or only with his economics. The exception here is W. R. Scott who deals extensively with Hutcheson's philosophy and includes one chapter on Hutcheson's economics. However, rather than tie philosophy and economics together, the chapter traces influences of Hutcheson's economics upon Smith's economics.²

Some further points will be brought out in the course of the study concerning Hutcheson's relationship with the philosophical radicals and his contributions to positive economics. There is a misconception in many economic works that Hutcheson was unambiguously moving toward utilitarianism. For instance, Schumpeter states; ". . . his (Hutcheson's) basic social conceptions clearly reveal a utilitarian tendency."³ Schumpeter's statement is true

²Scott, Francis Hutcheson, pp. 230-243.

³Joseph A. Schumpeter, Economic Doctrine and Method, translated by R. Aris (New York, 1967), p. 22.

to a certain extent, but I shall show that Hutcheson was not a utilitarian, although he unwittingly prepared the ground for Bentham's philosophical radicalism.

Concerning Hutcheson's economic work, I shall show that Hutcheson played a role in making explicit the costs of production. This is to be contrasted with the alledged scholastic view that persons were to be allowed to charge for their products on the basis of each man's status. Actually this does not seem to be the scholastic view, but the view introduced by Pufendorf, Hutcheson, and Adam Smith.

The fourth chapter of this study will show Hutcheson's relation to Adam Smith both as a moral philosopher and as a liberal. The last chapter will give an exposition of the positions of Hutcheson and Smith as prototypes of modern liberals. The orientation of the thought of these two men toward economic growth may present problems for the liberal programme in light of current discussion of the limits to growth. The wisdom which can be gained from the works of Hutcheson and Smith in relation to these current discussions will be presented.

ANCIENTS AND MODERNS

In order to adequately understand Hutcheson's work as an economist and political philosopher, it is necessary to grasp the salient points of difference between ancient and modern political philosophy. In both cases ideas about nature and reason have a definite impact on discussions of the state and economic activity. Hutcheson acts as a mediator between ancient and modern outlooks on the world; and in the development of his own philosophy he plays an important role in founding liberal economics and in setting up economics as an autonomous sphere of inquiry. Let us turn now to an exposition of the philosophical traditions from which Hutcheson drew his particular outlook.

Ancients

In attempting to understand the political philosophy of the ancients we must become familiar with the term "natural law". The ancient Greeks are generally credited with the founding of the natural law tradition. Plato and Aristotle are certainly the great exponents of this tradition. The first task then is to seek some understanding of the natural law as taught by these two philosophers.

Natural law obviously has something to do with nature, but how is nature understood? Is human nature being referred to or physical phenomena? Aristotle states:

For those things are natural which, by a continuous movement originated from an internal principle, arrive at some completion: the same completion is not reached from every principle; nor any chance completion, but always the tendency in each is towards the same end, if there is no impediment.¹

Nature is a cause that directs toward an end or purpose. "It is plain then that nature is a cause, a cause that operates for a purpose."² Nature propels any phenomenon toward its end. Nature is an internal principle of growth. This is an important point in the ancient philosophy and an important principle of the natural law. Since natural things have this internal principle that inclines them toward some end, man, as part of nature, is also inclined toward an end. If we speak of "human nature" we are speaking of the tendency of man's activity which leads to some end. It is possible to speak of a man acting against nature if he acts in such a manner as to thwart the attainment of the natural end of man. We can also speak of the good life as being in harmony with nature or acting according to nature, and the rules or maxims which direct us toward the good life may be called the natural law.³

¹Aristotle Physica 199b 15-18.

²Ibid., 199b 32.

³"The good life simply, is the life in which the requirements of man's natural inclinations are fulfilled in the proper order to the highest possible degree, . . . The good life is the perfection of man's nature. It is the life according to nature. One may therefore call the rules circumscribing the general character of the good life 'the natural law.'" Leo Strauss, Natural Right and History (Chicago, 1953), p. 127.

The difficult problem is to discover the end of man. How can we proceed? Aristotle states that: "Presumably, then, we must begin with things known to us."⁴ The quest for the good and the natural law is not a purely rationalistic one in which we make logical inferences from definitions, but is one in which the good for man must be arrived at through observation of human actions and their consequences, conversation with mature men, and the use of judgment as well as careful reasoning.

Man's reason can know the end for man. This is a crucial point in the ancient outlook on the world. Man has an internal principle of development which inclines him toward an end, and reason is capable of knowing the end. This reasoning toward the truth is allied with the concept of the dialectic in Plato. The dialectic is the intellectual progress toward the ultimate truth.

Dialectic, in fact, is the only activity whose method is to challenge its own assumptions so that it may rest firmly on first principles. When the eye of the mind gets really bogged down in a morass of ignorance, dialectic gently pulls it out and leads it up, using the studies we have described to convert and help it. These studies we have often, through force of habit, referred to as branches of knowledge, but we really need another term, to indicate a greater degree of clarity than opinion but a lesser degree than knowledge-- we called it Reasoning earlier on.⁵

These two principles are important in understanding the ancients and natural law in its classic form. 1. Nature is an internal

⁴Aristotle Ethica Nicomachea 1095b 3-4.

⁵Plato The Republic 533. We know from Plato's analogy of the divided line that the knowledge spoken of here consists in part of knowledge of the ultimate truth of nature. Ibid., 510-511.

principle of growth inclining the object toward an end. 2. Reason can know ends including the end for man. With these principles in mind, the ancients proceed to build up a body of natural law; that is, a body of specific maxims for man and state which will aid men in their pursuit of their natural, highest good. Let us look at specific examples of natural law theorizing by Plato, Aristotle, and St. Thomas Aquinas.

Aristotle states that the end toward which man tends is happiness. Happiness is that for the sake of which all things are done.⁶ Happiness consists of virtuous activities; and a man who engages in virtuous activities can never be truly miserable, although he may not reach the highest happiness which Aristotle calls blessedness.⁷ If a series of highly unfortunate events befall an individual, he may not reach the state of blessedness, although he will remain happy through the exercise of virtue. Concerning virtue Aristotle states: "Now virtue is concerned with passions and actions, in which excess is a form of failure, and so is defect, while the intermediate is praised and is a form of success; . . ."⁸

⁶" . . . happiness is among the things that are prized and perfect. It seems to be so also from the fact that it is a first principle; for it is for the sake of this that we do all that we do, and the first principle and cause of goods is we claim, something prized and divine." Aristotle Ethica Nicomachea 1102a 1-4.

⁷Ibid., 1100b, 33-1101a 8.

⁸Ibid., 1106b 24-26.

Virtue is a mean or middle way between excesses. Courage is a virtue and is intermediate between recklessness and cowardice. In order to be virtuous and move toward the natural end of man which is happiness, we must control and direct our passions toward an intermediate course between excess and defect of the passion. We are quite prudently warned, however, that the principle of the golden mean cannot be applied in all cases: "But not every action nor every passion admits of a mean; for some have names that already imply badness, e.g. spite, shamelessness, envy, and in the cases of actions adultery, theft, murder; . . ." ⁹

We might legitimately inquire of Aristotle as to how he knows that the virtuous life and the golden mean are conducive to happiness and that adultery, murder, envy, and spite are absolutely bad. Aristotle's reply would be that these matters cannot be absolutely proved or demonstrated mathematically, and that we should never demand more certainty than the subject matter permits. ¹⁰ It would seem that the temperate life is the right way to achieve happiness because after much observation of human behavior, it seems that intemperance leads to unhappiness and temperance to happiness. Likewise, murder and other gross actions and passions are condemned on the basis of the observation that murder leads to the unhappiness of one or more persons and never leads to the happiness of anyone,

⁹ Ibid., 1107a, 9-11.

¹⁰ Ibid., 1094b, 13-28.

The living of a virtuous life, then, allows us to achieve our natural, proper end as men. In fact, in order to act according to nature, it is our duty to engage in activities conducive to the attainment of the end prescribed for us by nature.¹¹ Plato concurs in this view and equates the tempering of the passions with the proper function of man.

Then we must remember that each of us will be just, and do his duty, only if each part of him is performing its proper function . . .

So the reason ought to rule, having the ability and foresight to act for the whole, and the spirit ought to obey and support it . . .

When these two elements have been brought up and trained to their proper function, they must be put in charge of appetite, which forms the greater part of each man's make-up and is naturally insatiable. They must prevent it taking its fill of the so-called physical pleasures, for otherwise it will get too large and strong to mind its own business and will try to subject and control the other elements, which it has no right to do, and so wreck life entirely.¹²

The man who lives the virtuous life is happy. The virtuous life consists of contemplative activity and performance of practical virtue. The life of practical virtue does not produce the highest

¹¹"All things are parts of one single system, which is called Nature; the individual life is good when it is in harmony with Nature. In one sense, every life is good when it is in harmony with Nature, since it is such as Nature's laws have caused it to be; but in another sense a human life is only in harmony with Nature when the individual will is directed to ends which are among those of Nature. Virtue consists in a will which is in agreement with Nature." Bertrand Russell, A History of Western Philosophy (New York, 1945), p. 254.

¹²Plato, The Republic, 441-442.

happiness, but it does produce happiness of a second type. This happiness comes from typically human acts performed in their proper manner and relationship.

But in a secondary degree the life in accordance with the other kind of virtue (practical virtue) is happy; for the activities in accordance with this befit our human estate. Just and brave acts, and other virtuous acts, we do in relation to each other, observing our respective duties with regard to contracts and services and all manner of actions and with regard to passions; and all of these seem to be typically human.¹³

The virtuous life is a type of action. ". . . the life of the man who is active in accordance with virtue will be happy."¹⁴ However, the highest happiness that man can achieve is through the contemplative life. ". . . the activity of God, which surpasses all others in blessedness, must be contemplative; and of human activities, therefore, that which is most akin to this must be most of the nature of happiness."¹⁵

Perhaps we can understand more fully the activity of contemplation which leads to happiness from the following statement by Eric Voegelin who is interpreting Aristotle on this point:

The happiness of theoretic activity is highest because contemplation is the highest function in man; and it is the highest function because it is the function of the highest part in the soul of man, that is, of the intellect (nous). The activity (energeia) of the

¹³Aristotle, Nicomachean Ethics, 1178a, 8-14.

¹⁴Ibid., 1179a, 8-9.

¹⁵Ibid., 1178b, 21-23.

intellect is identified as the theoretic activity (theoretike energeia) (1177a 17 ff). The meaning of 'highest' or 'perfect' is further elucidated by the designation of nous as the divinest part (to theiotaton) in man; the activity of the divinest part, thus, becomes the divinest activity; and the pleasure accompanying it becomes the divinest pleasure, the true eudaimonia.¹⁶

The contemplative life necessarily requires leisure in which to contemplate, and the leisured life becomes for Aristotle the highest type of life to which citizen or state could aspire. "Since the end of individuals and of states is the same, the end of the best man and of the best constitution must also be the same; it is therefore evident that there ought to exist in both of them the virtues of leisure; . . ."¹⁷

These natural law thinkers also had an idea as to the proper role of the state. If the end of man is happiness, then the purpose of the state is to aid man in attaining this end through the encouragement of a virtuous life in the citizenry. Socrates states in The Republic that if the citizens are educated toward goodness first, then all other problems of legislation and administration become much simpler.¹⁸ If a state does not educate toward the good then perhaps any form of polity that allows the sustaining of life is acceptable. Aristotle states: "But a state exists for the sake of

¹⁶Eric Voegelin, Plato and Aristotle (Baton Rouge, 1972), p. 305.

¹⁷Aristotle, Politica, 1334a, 12-15.

¹⁸Plato, The Republic, 425-426.

a good life, and not for the sake of life only: if life only were the object, slaves and brute animals might form a state, but they cannot, for they have no share in happiness or in a life of free choice."¹⁹

However, the sustaining of life does have importance for the state. Economic activity and material goods are necessary for life and even play a role in the virtuous life. "Let us assume then that the best life, both for individuals and states, is the life of virtue, when virtue has external goods enough for the performance of good actions."²⁰

The endowment of a state with goods is not primarily a matter of rational calculation and scientific endeavor but a matter of luck. Rational and deliberate actions belong primarily to the sphere of virtue. ". . . May our state be constituted in such a manner as to be blessed with the goods of which fortune disposes (for we acknowledge her power); whereas virtue and goodness in the state are not a matter of chance but the result of knowledge and purpose."²¹ Goods are important, and they play a part in the virtuous life, but certainly they are not the cause of happiness or of virtue. They are included in a hierarchy of ends but are not the end itself.²²

¹⁹Aristotle, Politica, 1280a, 31-34.

²⁰Ibid., 1323b, 40-1324a, 4.

²¹Ibid., 1332a, 29-31.

²²Strauss, Natural Right, pp. 126-127.

The Greeks are not saying that statecraft and economic policy are impossible; they do warn against the consequences of excluding the deliberate pursuit of the virtuous life. This warning seems to be bound up with the ancient cycle of hubris and nemesis, which is that the over-stepping of natural limits ultimately brings bad luck and destruction. This point is illustrated by the ancient Greek historian Herodotus in the story of Polycrates, the ruthless master of Samos and conqueror of many islands and cities. Polycrates was a man whose calculations in matters of war and fortune continually met with success. However, his friend Amasis, the king of Egypt, warned him to part with something of the highest consequence to his happiness. It was Amasis' opinion that no man had a continual streak of good luck without also having a calamitous end. Polycrates heeded Amasis' advice and cast his favorite ring into the sea, only to have it returned to him in the belly of a fish which had been caught by a local fisherman. Polycrates wrote of the incident to Amasis, and Amasis then broke relations with Polycrates, for he was certain that calamity awaited such a person of uninterrupted good fortune. The ending of the story is predictable, Polycrates was infamously tricked and killed by Oroetes, the Persian governor of Sardis. Polycrates' pride in his statecraft and fortune had brought about his downfall.²³

²³Herodotus, Ancient History, Book III XXXIX-CXXV.

We must be careful to keep these different aspects of life in perspective. Those parts of our natures that tend to get out of control such as avarice must be kept in check. If not checked this passion may grow to such an extent that all other legitimate ends are obliterated. Aristotle claims that the origin of this avaricious disposition is in the intent of men to live only, not to live well, that is to pursue the good life of virtue.²⁴ If men simply live, the senses present a virtually unlimited demand for gratification which leads to an unlimited demand for the means of gratification.

The remedy for this passion of avarice is, again, education toward the virtuous life. Aristotle goes further than this, and in a quite illiberal manner advocates repression of those who cannot control this appetite.²⁵ Virtue is also a political necessity; for it binds the citizens together in unity.²⁶ The law for Aristotle is

²⁴ Aristotle, Politica, 1257b, 37-1258a, 2.

²⁵"And the avarice of mankind is insatiable; . . . men always want more without end; for it is the nature of desire not to be satisfied, and most men live only for the gratification of it. The beginning of reform is not so much to equalize property as to train the nobler sort of natures not to desire more, and to prevent the lower from getting more; . . ." Ibid., 1267a, 41-1267b, 9.

²⁶"It is clear then that a state is not a mere society, having a common place, established for the prevention of mutual crime and for the sake of exchange. These are conditions without which a state cannot exist; but all of them together do not constitute a state, which is a community of families and aggregations of families in well-being, for the sake of a perfect and self-sufficing life. Such a community can only be established among those who live in the same place and intermarry. Hence arise in cities family connexions, brotherhoods, common sacrifices, amusements which draw men together. But these are created by friendship, for the will to live together is friendship. The end of the state is the good life, and these are

more than groundrules for legitimate activity or an economic institutional framework. The law seeks to promote unity and virtue among the citizens in accordance with the legitimate end of the state.

. . . virtue must be the care of a state which is truly so called, and not merely enjoys the name: for without this end the community becomes a mere alliance which differs only in place from alliances of which the members live apart; and law is only a convention, 'a surety to one another of justice,' as the sophist Lycophron says, and has no real power to make the citizens good and just.²⁷

Finally, in regard to these early natural law ideas about the state and society, the state's existence was viewed as a natural outgrowth of man's existence, not an artificial one. This viewpoint differs from later contract theorists such as Hobbes and Rousseau. The state arises out of the union of small villages for the purpose of sustaining life. The state continues in existence for the purpose of the good life for its citizens, that is the life of virtue. If the original establishment of villages is a natural process, then the establishment of the state is also a natural process for the state is the end of villages.²⁸

the means towards it. And the state is the union of families and villages in a perfect and self-sufficing life, by which we mean a happy and honourable life." Ibid. 1280b 30-1281a 2.

²⁷Ibid., 1280b 6-11.

²⁸"When several villages are united in a single complete community, large enough to be nearly or quite self-sufficing, the state comes into existence, originating in the bare needs of life, and continuing in existence for the sake of a good life. And therefore, if the earlier forms of society are natural, so is the state, for it is the end of them, and the nature of a thing is its end." Ibid., 1252b 27-30.

The early natural law thinkers viewed the state as natural, not conventional. Likewise justice and virtue had a natural, objective basis, not merely a conventional one. The matter of elucidating the natural law in many specific cases was undertaken by the church fathers. However, the outlook of the whole range of natural law and later natural right thinkers can be basically identified with a quotation from The Republic: "Justice is much more valuable than gold, . . .,"²⁹

With the advent of the Christian era the natural law took on the added dimension of divine revelation. Revelation provided the framework for the medieval thinkers in which philosophizing could take place; and ". . . they sought to explain the natural and the human by reference to such tenets of faith as God, creation, the Incarnation, using philosophical argument to do so."³⁰ An attempt was made by the scholastics to use reason as a complement to the tenets of faith.³¹ This leads to the concept of right reason which is the notion that the moral correctness or justice of a situation can be found through the use of reason. Reason is not used in this sense as the means of obtaining some arbitrarily specified end, but is used as having the ability of apprehending the end itself.

²⁹Plato, The Republic, 336.

³⁰Gordon Leff, Medieval Thought (Aylesbury, England: 1970), p. 11.

³¹"The effort to harmonize reason and faith was the motive force of medieval Christian thought; . . ." Ibid., p. 19.

The concept of right reason is very important in the scholastic treatment of the natural law. The church fathers employed this concept for obtaining a knowledge of the natural law, and for clarifying and explaining the moral law.

The close association of morals and law is the distinguishing mark of natural law theory throughout its long history. The very enunciation of natural law is a moral proposition. The first precept of natural law, says Thomas Aquinas, is 'to do good and to avoid evil.' And Grotius declares that 'the law of nature is a dictate of right reason which points out (indicans) that an act . . . has in it a quality of moral baseness or moral necessity.³²

However, right reason was not the exclusive vehicle for finding truth. The church fathers had an additional issue with which to deal, which the Greeks and Romans did not. That issue was the matter of divine revelation as indicated through the Scriptures. If the knowledge of the end for man and of moral precepts is divinely revealed, what purpose can be served by the employment of reason to illuminate the morality of a particular action? Different positions can be taken in regard to this question. One position is that reason occupies a subservient position under the ~~command~~ command of faith. Another position is that reason is autonomous and is needed to pronounce judgments on complicated moral issues that are not specifically stated as revealed truth. Also we might have to appeal to

³²A. P. D'Entreves, Natural Law (New York, 1965), pp. 80-81.

right reason in obtaining the acquiescence of non-believers to certain moral precepts.

St. Thomas Aquinas is the great scholastic expounder of the natural law. Thomas took natural phenomena as being the surest evidence available of reality. The sensible world was used to apprehend the transcendent world and the natural law.³³ Reason is an aid in understanding proper moral and ethical conduct. However, man cannot legitimate moral conduct by his own authority. The good has an objective existence apart from man, although it may be known from the evidence of nature.

Natural law is the token of the fundamental harmony between human and Christian values, the expression of the perfectability of man and of the power and dignity of his reason. But the system of ethics which is based on these assumptions cannot properly be called a 'rationalist' system. The proud spirit of modern rationalism is lacking. There is no assertion of man's self-sufficiency and inherent perfection. There is no vindication of abstract 'rights', nor of the autonomy of the individual as the ultimate source of all laws and of all standards.³⁴

³³"Perhaps we can best describe St. Thomas' outlook by saying that, whereas all Christian thinkers before him had sought to explain the effect by the cause, he started with the effect: that is, instead of trying to explain God in his own transcendent terms, he began with what could be known from His creatures. He did not dismiss the sensible world as a shadow and its existence as unreal; but as the surest evidence open to us of reality." Leff, Medieval Thought, p. 214.

³⁴D'Entreves, Natural Law, p. 45.

Reason, of course, has the connotation of right reason for St. Thomas; it is a vehicle to be conscientiously used to attain the truth of moral issues.

Now, since the good has the rational character of an end, and evil has the contrary meaning, as a consequence reason naturally apprehends all things to which man has a natural inclination as goods and, therefore, as things to be sought after in working, and their contraries are apprehended as evils and as things to be avoided.³⁵

Notice here the themes of classic natural law. Man has a natural inclination toward goods, or an internal principle is operating which inclines us toward ends. Reason is quite capable of apprehending the ends. In this general outlook Thomas is explicitly following the Greeks. However, while recognizing the efficacy of natural reason to the attainment of moral truth, St. Thomas never denigrates faith or revelation, but on the contrary, he holds that revelation can give a super clarity to reason.

. . . We have a more perfect knowledge of God by grace than by natural reason. Which is proved thus. The knowledge which we have by natural reason requires two things: images derived from sensible things, and a natural intelligible light enabling us to abstract intelligible conceptions from them.

Now in both of these, human knowledge is assisted by the revelation of grace.³⁶

St. Thomas in a manner similar to the Greeks held that the good for man was the end for which man was naturally appointed. The end

³⁵St. Thomas Aquinas, The Summa Theologica II Q. 94 Art. 2.

³⁶Ibid., II Q. 12 Art. 13.

for man on earth was the beatific vision or an experience of complete communion with God; this is the summum bonum.³⁷ If there were no highest good, the daily chores of life would be sufficient for man's existence; but the summum bonum draws everything toward it, and all activities aim (or should aim if man is to achieve his natural end) at its attainment.³⁸

The state is natural to man's existence, for man is by nature a social animal. Group habitation makes the procuring of life's necessities an easier task. Reason and nature dictate this type of life.³⁹ The state, like man, has an end which is to enable men to live the good life. The good life according to St. Thomas sounds very much like that of Aristotle. The good life consists in acting

³⁷"Now, the end of our desires is God; hence, the act whereby we are primarily joined to Him is basically and substantially our happiness. But we are primarily united with God by an act of understanding; and therefore, the very seeing of God, which is an act of the intellect, is substantially and basically our happiness." St. Thomas Aquinas Quodlibetal Questions VIII 9, 19, c.

³⁸"It is the carpenter's business to repair anything which might be broken, while the pilot bears responsibility of bringing the ship to port. It is the same with man. The doctor sees to it that a man's life is preserved; the tradesman supplies the necessities of life; the teacher takes care that man may learn the truth; and the tutor sees that he lives according to reason.

Now if man were not ordained to another end outside himself, the above-mentioned cares would be sufficient for him. But as long as man's mortal life endures there is an extrinsic good for him, namely final beatitude which is looked for after death in the enjoyment of God, . . ." St. Thomas Aquinas, On Kingship II, 104-105.

³⁹Ibid., I, 5.

virtuously and, as a secondary matter, in having a sufficient supply of bodily necessities.⁴⁰ The procuring of bodily needs may from time to time give occasion for sin, and since sin is to be avoided in the life of virtue, the doctors were forced to make pronouncements on the legitimate spheres of economic activity. The main body of opinion dealt with the just price and usury.

There has come into existence a large and somewhat erroneous literature on the just price doctrine of the scholastics. The fallacious view is associated with the names of such notable scholars as John M. Clark and R. H. Tawney. This view is that the just price was intrinsically bound up with medieval ideas of a social hierarchy, and was a charge which enabled the producer to support himself and his family in a style commensurate with his status in society. This position is certainly taken in the works of Samuel Pufendorf, Francis Hutcheson, and to some extent Adam Smith. However, it will be shown that the recognition of a legitimate charge due to status is a part of the development of economic analysis.

Societies were built on status long before the middle ages, but it is fairly evident that the scholastics did not consider a man's status in their pronouncements on the just price. The authority usually cited in support of this view is Henry of Langenstein, the Elder (1325-1397). Raymond de Roover claims that Langenstein was

⁴⁰Ibid., II, 118.

at best a lightweight scholastic who was little quoted by later doctors.⁴¹

Impressive evidence is marshalled by de Roover and another contemporary scholar, John T. Noonan, in support of the thesis that the just price, though occasionally an administered price, was usually the prevailing market price.

According to the majority of the doctors, the just price did not correspond to cost of production as determined by the producer's social status, but was simply the current market price, with this important reservation: in cases of collusion or emergency, the public authorities retained the right to interfere and to impose a fair price.⁴²

Albert the Great (St. Thomas' teacher) identifies the just price as: "What goods are worth according to the estimation of the market at the time of sale."⁴³ John Noonan calls the following witnesses in support of the just-price-as-market-price thesis:

. . . Giles of Lessines teaches that value increases or decreases with changes in the use of the good; that is, with variations in the demand for it. He writes, 'According to justice, each thing ought to be of greater worth and price at the time and for the time of its use, than at another time when its use is not so necessary and convenient.' John Buridan says explicitly, 'A good is worth as much as human need needs it.' Henry of Hesse, citing Aristotle by name, declares that the just price consists 'in a near equality of goods in proportion to the measure of their market or usual or customary value. This measure, however, which is to be roughly considered, is a

⁴¹Raymond de Roover, "The Concept of the Just Price: Theory and Economic Policy," The Journal of Economic History, XVIII (December, 1958), 418.

⁴²Ibid., pp. 420-421.

⁴³Ibid., p. 422.

value as great as the quantity of human need.' In a slightly different formula, but again emphasizing the role of human desire, St. Bernardine teaches that value is determined by a good's utility, scarcity, and complacibilitas, that is, its quality of pleasing the will of a buyer, St. Antoninus incorporates St. Bernardine's doctrine verbatim."⁴⁴

St. Thomas also seems to agree, within bounds, that the just price is determined by the utility of a thing on the demand side and the general higgling of the market. "As Augustine says (De Civ. Dei xi. 16) the price of things saleable does not depend on their degree of nature, since at times a horse fetches a higher price than a slave; but it depends on their usefulness to man."⁴⁵

A man may even deceive or be deceived up to half the amount of the just price before state sanctions should apply. However, divine law is always operative, and the virtuous man should always rectify an injustice in the price as far as he is able to discern it: ". . . because the just price of things is not fixed with mathematical precision, but depends on a kind of estimate, so that a slight addition or subtraction would not seem to destroy the equality of justice."⁴⁶

What scholastics do inveigh against is monopolistic practices which artificially fix price. They did approve of price fixing by

⁴⁴John T. Noonan, Jr., The Scholastic Analysis of Usury (Cambridge, Massachusetts; 1957), pp. 83-84.

⁴⁵St. Thomas Summa II Q. 77 Art. 2.

⁴⁶Ibid., II Q. 77 Art. 1.

the state to prevent profiteering in extreme cases such as famine or natural disaster. Contrary to accepted opinion, however, price fixing by the guilds was not regarded as licit. De Roover citing the authority of San Antonino (1389-1459) states: "The scholastic writers, in their weighty treatises, rarely mention the guilds, but when they do, it is not to praise them for their humanitarian livelihood policy but to blame them for their monopolistic practices."⁴⁷ The condemnation of price fixing seems to be an almost continuous thread in natural law thinking beginning with Plato who in The Republic condemns an elaborate system of market regulation as being redundant for good men.⁴⁸ Of course, price fixing may be necessary in an imperfect regime. We recall that the education toward goodness was a primary task of the state. This matter of good men and market regulation will be of importance in the following exposition of the ideas of Hutcheson and Smith.

If the natural law thinkers and particularly the scholastics held that the just price was the market price, what is the difference between the scholastic teaching and that of the classical

⁴⁷de Roover, p. 431. Noonan also comments on this point; "The scholastics also condemn attempts to manipulate the market price artificially by monopolistic restriction of the supply or by purely speculative purchases. The just price is the price established by genuine consumer or commercial demand and available supply. But this repugnance to monopoly and sheer speculation does not alter the fact that the just price is normally the market's." Noonan, Scholastic Analysis, p. 88.

⁴⁸Plato, Republic, 425.

liberals? One difference certainly must be over the matter of usury which is vigorously attacked by St. Thomas and others, although later scholastics modified the prohibition against taking interest on loans. The reasons given for the prohibition of usury vary and in some cases are not clear. Modern scholars are in disagreement as to the animus behind the usury doctrine. Bernard W. Dempsey states: "Positive ecclesiastical legislation especially enjoining clerics from the practice of usury, and declaring it to be sinful to anyone, cleric or lay, to practice it rested fundamentally on the natural law rather than on divine positive legislation."⁴⁹ John Noonan makes this statement: "Taken together, the Bible, the patristic writings, and the Councils witnessed that the Christian tradition itself condemned usury, and it was the combined weight of these authorities, and no single authority by itself, that was responsible for the medieval position."⁵⁰

St. Thomas expounds the natural law case against usury in The Summa Theologica.⁵¹ It is stated that it is unlawful to exact a price greater than unity for the loan of anything that is consumable such as wine. We may loan a bottle of wine to a friend, and we expect to be repaid one bottle of wine; but if we require an additional payment we are exacting usury, it is against natural law to require any repayment in excess of the amount of the loan.

⁴⁹Bernard W. Dempsey, Interest and Usury (London, 1948), p. 165.

⁵⁰Noonan, Scholastic Analysis, p. 11.

⁵¹St. Thomas, Summa II Q. 78 Art. 1.

The prohibition against usury has a long history in natural law writings; Aristotle claims that usury is justly censured because the end of money is exchange, not to increase at interest.⁵² Nevertheless, late scholastics such as John de Lugo (1593-1660) legitimated usury in some cases on natural law grounds. If opportunity cost (*lucrum cessans*) was incurred by the lender, then compensation was due him as a matter of justice.⁵³ The natural law case against usury doesn't seem to be completely clear.

It seems possible that the scholastic view of the good for man provides a coherent basis for the prohibition against usury. On many occasions usury is seen by the doctors as a device for exploiting the poor and oppressed. However, usury is more commonly denounced as being simply unjust.⁵⁴

The doctors at times display a disinclination to allow the monetization or selling of time, and this idea becomes bound up with usury doctrine. A little known fifth century scholastic is quoted by Gratian in 1180: "Of all merchants, the most cursed is the usurer, for he sells a good given by God, not acquired as a merchant acquires his goods from men; . . ."⁵⁵ Noonan commenting

⁵²Aristotle, *Politica*, 1258a 38-1258b 8.

⁵³Dempsey, *Usury*, p. 171.

⁵⁴Noonan, *Scholastic Analysis*, pp. 16-20.

⁵⁵*Ibid.*, p. 38.

on this passage says: ". . . the usurer sells what is God's, by which is presumably meant time; . . ."56

William of Auxerre (1160-1229) speaks of the great evil involved in credit sales because time is sold. It is held that time is a natural gift to all creatures and to monetize it is grossly against natural law.⁵⁷ St. Thomas also seems to support this position. ". . . if those who accept money with usury wish to recover that usury by selling cloth at more than its worth on account of the aforesaid delay, there is no doubt that this is usury since time is clearly sold."⁵⁸

Although the above quotation by St. Thomas is not from The Summa Theologica, it agrees with William of Auxerre's prohibition against usury. It seems that a coherent basis can be found for the usury doctrine. It might be hypothesized that the church fathers were averse to the monetization of time and the rational economic

⁵⁶Ibid., p. 39.

⁵⁷"He (the usurer) also acts against the universal natural law, because he sells time, which is common to all creatures. Augustine says . . . each creature is compelled to give himself; the sun is compelled to give itself to illuminate; similarly the earth is compelled to give whatever it can, and similarly the water. Nothing, however, so naturally gives itself as time: willy-nilly things have time. Because, therefore, the usurer sells what necessarily belongs to all creatures generally he injures all creatures, even the stones; whence if men were silent against the usurers, the stones would cry out, if they could; and this is one reason why the Church so pursues the usurers. Whence especially against them God says, 'When I shall take up the time, that is, when time will be so in My hand that a usurer cannot sell it, then I will judge justly.' Ibid., pp. 43-44.

⁵⁸St. Thomas Aquinas, On Buying and Selling.

calculation of all life's activities. This prohibition stems from a world view that holds the beatific vision as the highest good; it does not stem from an ignorance of economic affairs but from an understanding of them. It would seem that the achievement of the beatific vision would constitute an extremely time intensive activity involving prayer, fasting, and good works.⁵⁹ This project is, of course, not impossible for a man in an economically rational society to undertake. However, the project becomes much more difficult if men perceive dollar values as being attached to time. Thomas and other scholastics realized this relationship between interest, particularly on credit sales, and time value. They discouraged this monetization of time because they realized quite well the avariciousness latent in most men, and they knew that the infinite desire for money might replace the infinite desire for the good if allowed by the Church. Thomas discusses the infinite desire for money (artificial wealth) and the infinite desire for the good:

The desire for natural wealth is not infinite because at a certain point the needs of nature are satisfied. But the desire for artificial wealth is infinite because it is subject to disordered concupiscence which observes no measure, as the Philosopher shows. There is a difference, however, between the infinite desire for wealth and the infinite desire for the ultimate good, since the more perfectly the ultimate good is

⁵⁹"If someone should busy himself investigating the truth for a period, he will be aided in the discovery of the truth by the passage of time." St. Thomas Aquinas, Commentary on the Nicomachean Ethics, I. L. XI:c 131-138. Also on this point Thomas says; ". . . we must come to knowledge of eternity by way of time," Summa I Q. 10 Art. 1., and further, ". . . nothing but God is eternal." Ibid., I Q. 31 Art. 3.

possessed the more it is loved and other things
despised, for the more it is possessed the more
it is known.⁶⁰

It seems that Thomas and others were trying to lead men into the pursuit of the good, the proper sphere of infinite desire. The usury prohibition was one of the tools employed in this project. It is my opinion that it is this scholastic view of the good for man that is the important point of disagreement between the medieval fathers and later political economists, not any disagreement over what it is that constitutes the just price. This discussion of scholastic just price will be used as a background for presenting the more explicit development of the costs of production by Pufendorf, Hutcheson, and Smith. It was these later political economists that talked of a charge being levied because of status.

Some of the outstanding propositions of the natural law have been presented: the objective nature of truth, the use of right reason to apprehend ultimate moral principles, the idea of nature as an internal principle of growth toward ends, and the need for men's lives and society to conform to those ends. In the seventeenth century a new trend of thought appeared: the actions and passions of men assumed a greater importance as a means of finding moral truth rather than right reason or revelation. The good for man became identified with fulfillment of the sensual passions rather than a search for a higher ideal such as the beatific vision. This change

⁶⁰St. Thomas Summa I Q. II Art. 1.

in viewpoint has important implications for political and economic institutions. Hutcheson, while retaining older ideas of the highest good, follows the newer natural right position in founding political and economic institutions on the senses of man rather than on faith or reason. The works of two major, seventeenth century authors will be considered in order to illustrate the new viewpoint.

Moderns

Thomas Hobbes and John Locke participated in a movement away from traditional natural law ideas of man and society. This break has come to be identified as the modern natural right tradition. The task now is to make clear the elements of thought that constituted this new view of society. Hobbes and Locke lived in an age when intelligent men were becoming more and more immersed in the modes of thought engendered by the new science of Galileo, Descartes, and Newton. The crucial conceptions of the new science, beginning with Galileo (1564-1642), are these: 1. Nature is composed of atoms in motion. 2. Reason can help us understand nature through the process of mathematizing the motions of the atoms. Causation is described in terms of forces propelling the atoms.⁶¹ Of course, the height of

⁶¹E. A. Burtt describes Galileo's view of nature: "The real world is simply a succession of atomic motions in mathematical continuity. Under these circumstances causality could only be intelligibly lodged in the motions of the atoms themselves everything that happens being regarded as the effect solely of mathematical changes in these material elements." E. A. Burtt, The Metaphysical Foundations of Modern Science (Garden City, New York: 1932), p. 99.

achievement in analyzing the forces is Sir Isaac Newton's universal law of gravitation. But what about the cause of the forces themselves? How did the new science answer that question? The question of ultimate causation was simply not answered on grounds that it was outside the realm of science. The teleological orientation of nature is lost. Nature does not incline toward an end. Nature is simply atoms in motion without a particular end. E. A. Burtt states concerning Galileo:

Teleology as an ultimate principle of explanation he set aside, depriving of their foundation those convictions about man's determinative relation to nature which rested upon it. The natural world was portrayed as a vast, self-contained mathematical machine, consisting of motions of matter in space and time, and man with his purposes, feelings, and secondary qualities was shoved apart as an unimportant spectator and semi-real effect of the great mathematical drama outside. In view of these manifold and radical performances Galileo must be regarded as one of the massive intellects of all time. In every single respect of importance he broke the ground or otherwise prepared the way for the only two minds in this advancing current of thought comparable to his own--Descartes and Sir Isaac Newton.⁶²

The fundamental principles of the new science are opposed to the principles used by the ancients in developing classic natural law. Nature is no longer an internal principle of growth inclining toward an end, but a number of atoms in motion with no particular end, or no end knowable by science. Since ends are outside the realm of science, they are also outside the realm of reason.

This new scientific viewpoint presents problems for political theorists such as Hobbes and Locke. The ancients could discuss

⁶²Ibid., p. 104.

political and economic institutions with the knowledge that these institutions served to aid man in attaining his natural end. Ends could be apprehended by reason, so a basis existed for reasonable discussion of institutions. For the moderns, since ends for man are unknowable, reasonable discussion of politics is impossible, because there is no way of knowing what ends they are to be made to serve. How then, can economic and political institutions be legitimated? We shall observe the attempts of Hobbes and Locke to solve this dilemma and then proceed to the solution offered by Hutcheson. It will be instructive to discuss the views of these authors on the nature of man in order to see their orientation as modern thinkers; then, the types of polity and economy envisaged by them will be presented.

Hobbes, like many present-day social scientists, adopted a mathematical mode in analyzing the problems of civil society. It is said that in 1629 at the age of forty-one, Hobbes had his first encounter with Euclid's Elements, and was afterward enamored with the power of reasoned demonstration; that is, beginning with simple, self-evident propositions and from them demonstrating the truth of more obscure propositions. The rigor of mathematics is what Hobbes was seeking in his discussions on the nature of man and the proper form of civil government. In fact, Hobbes in 1651, in Leviathan (thirty-six years before Newton's Principia) seems to be searching for a universal social law of gravitation. If all the senses can be understood as motion, at least analogously, then the mathematical

statement that makes the whole system hang together may not be far behind.⁶³ Hobbes posits that life itself is machine-like motion; "For seeing life is but a motion of Limbs, the beginning whereof is in some principal part within; . . . For what is the Heart, but a Spring . . . and the Joynts, but so many Wheelles, giving motion to the whole Body, such as was intended by the Artificer?"⁶⁴ Our senses and passions are also the result of various pressures and motions upon us; "All which qualities called Sensible, are in the object that causeth them, but so many several motions of the matter, by which it presseth our organs diversely."⁶⁵

The first problem that Hobbes must face in his construction of the perfect commonwealth is to understand the forces that cause men to be in motion. Perhaps Hobbes' most fundamental postulate of man's nature is that he will attempt to preserve his life at all times, and no law or power can alter this fact. This is simply a natural right of mankind that cannot be abridged. "If a man by the terrour

⁶³Leo Strauss correctly points out that Hobbes' method was not the crucial point in Hobbes' philosophy. "The universal importance of Hobbes' political philosophy cannot but remain unrecognized so long as, in accordance with Hobbes' own statements, the method is considered to be the decisive feature of his politics. Now it is obvious that the method is not its only and even not its most important characteristic." Leo Strauss, The Political Philosophy of Hobbes (Chicago, 1963), p. 2. The important point is Hobbes' analysis of the nature of man which seems to be an analysis of bodies in motion powered by some force.

⁶⁴Thomas Hobbes, Leviathan, 1.

⁶⁵Ibid., 3.

of present death, be compelled to doe a fact against the Law, he is totally Excused; because no Law can oblige a man to abandon his own preservation."⁶⁶ Although it cannot be claimed that fear of death or tendency toward life is an absolutely universal trait, it was universal enough for Hobbes to use as the fundamental premise upon which to construct the commonwealth.

Another fundamental tendency of mankind is the desire for power: "So that in the first place, I put for a generall inclination of all mankind, a perpetuall and restlesse desire of Power after power, that ceaseth onely in Death."⁶⁷ The pursuit of power may be manifested in different forms:

The passions that most of all cause the differences of Wit, are principally, the more or lesse Desire of Power, of Riches, of Knowledge, and of Honour. All which may be reduced to the first, that is Desire of Power. For Riches, Knowledge and Honour are but severall sorts of Power.⁶⁸

Accompanying man's desire for power is the desire for security in that power once attained. Men seek to assure themselves of their future power whether it be riches, knowledge or honor.⁶⁹ This

⁶⁶Ibid., 3.

⁶⁷Ibid., 47.

⁶⁸Ibid., 35.

⁶⁹" . . . the object of mans desire, is not to enjoy once onely, and for one instant of time; but to assure for ever, the way of his future desire. And therefore the voluntary actions, and inclinations of all men, tend, not only to the procuring, but also to the assuring of a contented life; . . ." Ibid., 47.

appetite for power, if properly channeled can become the basis for a stable, prosperous commonwealth.

In discussing the nature of man, Hobbes uses a metaphor that has remained popular with political economists (e.g. Mandeville). The question to which Hobbes addresses himself is, "Why can't men live together sociably as bees?" It may be instructive to quote Hobbes' reply at length:

It is true, that certain living creatures, as Bees, and Ants, live sociably one with another, . . . and therefore some man may perhaps desire to know, why Man-kind cannot do the same. To which I answer,

First, that men are continually in competition for Honour and Dignity, which these creatures are not; and consequently amongst men there ariseth on that ground, Envy and Hatred, and finally Warre; but amongst these not so.

Secondly, that amongst these creatures, the Common good differeth not from the Private; and being by nature enclined to their private, they procure thereby the common benefit. But man, whose Joy consisteth in comparing himself with other men, can relish nothing but what is eminent.

Thirdly, that these creatures, having not (as men) the use of reason, do not see, nor think they see any fault, in the administration of their common businesse: whereas amongst men, there are very many, that think themselves wiser, and abler to govern the Publique, better than the rest; and these strive to reforme and innovate, one this way, another that way; and thereby bring it into Distraction and Civill warre.

Fourthly, that these creatures, though they have some use of voice, in making knowne to one another their desires, and other affections; yet they want that art of words, by which some men can represent to others, that which is Good; and augment, or diminish the apparent greatnesse of Good and Evill; discontenting men, and troubling their Peace at their pleasure.

Fiftly, irratiounall creatures cannot distinguish betweene Injury, and Damage; and therefore as long as they be at ease, they are not offended with their fellowes; whereas Man is then most troublesome, when he is most at ease: for then it is that he loves to

shew his Wisdome, and controule the Actions of them that governe the Common-wealth.

Lastly, the agreement of these creatures is Naturall; that of men, is by Covenant only, which is Artificiall: and therefore it is no wonder if there be somewhat else required (beside Covenant) to make their Agreement constant and lasting; which is a Common Power, to keep them in awe, and to direct their actions to the Common Benefit.⁷⁰

In this dismal portrait of mankind, Hobbes tells us that even the maintaining of civil peace, which is certainly the sine qua non of civilized life, will be a difficult task, due to man's pride and vanity and his attempts to secure prominence over his fellow citizens. Man's pride and search for preeminence will also prevent any sort of invisible hand from operating. We cannot live socially as bees precisely because the common good differs from our private good, which is our desire to be preeminent over our fellow citizens. Finally, we are told that there is no spontaneous unity of men into nation-states, no spirit of the people; there is only an artificial social contract which men deem wise to enter into for the purpose of their mutual protection. Men may be tempted to break this contract if another one appears more conducive to their happiness, or if their pride or reason leads them to experiment with a new form of polity; only an absolutely powerful sovereign can maintain peace and prevent the continual breaking of the social contract.

Hobbes' treatment of the nature of man would not be complete without some statement about the nature of transcendent values and man's search for them. In the language of the schoolmen, what is

⁷⁰Ibid., 86-87.

the summum bonum toward which we should direct ourselves? Hobbes quite bluntly says that there is no highest good in this life, at least as the scholastics conceived it. Hobbes' conception of human nature is that man is simply in motion, so happiness or felicity for man is continual satisfying of desires which allows him to be continually in motion.

By manners, I mean . . . those qualities of man-kind that concern their living together in Peace, and Unity. To which end we are to consider, that the Felicity of this life, consisteth not in the repose of a mind satisfied. For there is no such Finis Ultimus, (utmost ayme,) nor Summum Bonum, (greatest good,) as is spoken of in the Books of the old Morall Philosophers. Nor can a man any more live, whose Desires are at an end, than he, whose Senses and Imaginations are at a stand. Felicity is a continuall progresse of the desire, from one object to another; the attaining of the former, being still but the way to the later.⁷¹

Again we find the theme of civil peace bound up with the felicity of this life. In order to maintain the peace, Hobbes would instruct the sovereign power to be concerned with the things that make the citizenry happy, e.g. the continuous attainment and pursuit of desires. There is no ultimate goal which when attained will keep man content. Good and evil lose their absolute character for Hobbes in a similar manner to a later calculator of felicity (Bentham): "Good, and Evill, are names that signifie our appetites, and aversions; which in different tempers, customes, and doctrines of men, are different: . . ."⁷²

⁷¹Ibid., 47.

⁷²Ibid., 79.

In disavowing the existence of a transcendent highest good, Hobbes seems to be instituting a more mundane highest good which is the attainment of happiness primarily through a prosperous life. Hobbes admits that a transcendent highest good may exist, but it is simply impossible to know it. Therefore, let us act reasonably and pursue the goods with a little more fervor and the good with a little less.⁷³

The whole matter of transcendent values can be troublesome for the commonwealth: ". . . I observe the Diseases of a Commonwealth, that proceed from the poyson of seditious doctrines; wherefore one is, That every private man is Judge of Good and Evill actions."⁷⁴ Varying individual interpretations of good and evil may lead to strife among individuals and factions and ultimately to civil war.

⁷³"Continuall successe in obtaining these things which a man from time to time desireth, that is to say, continuall prospering, is that men call Felicity of this life. For there is no such thing as perpetuall Tranquillity of mind, while we live here because Life it selfe is but Motion, and can never be without Desire, nor without Feare, no more than without Sense. What kind of Felicity God hath ordained to them that devoutly honour him, a man shall no sooner know, than enjoy; being joyes, that now are as incomprehensible, as the word of Scholl-men Beatificall Vision is unintelligible." Ibid., 29-30. Hobbes seems to be saying here that if God has ordained happiness for some, it will not be known until after death. The only felicity in this life is prosperity. Leo Strauss also comments on this point. "According to Hobbes, the preservation of life is the primary good, an unhindered progress to ever further goals, a 'continuall prospering'--in a word, happiness is the greatest good, but there is no supreme good, in the sense of a good in the enjoyment of which the spirit might find repose." Leo Strauss, Hobbes, pp. 15-16.

⁷⁴Hobbes, Leviathan, 168.

Hobbes' solution is to make good and evil, as far as possible, a matter of positive law. The older natural law concept of right reason is said to be inoperable as a basis for the laws because of the continual controversies engendered by private reflections upon the nature of transcendent good.⁷⁵ Hobbes is strictly in the modern camp here. Right reason doesn't exist. Knowledge of ends is outside the realm of science.

We have seen Hobbes' view of man's nature; what role then should the state play in providing for man's well being? The first essential service that the state must provide is the ensuring of the civil peace; this theme runs continually through Leviathan and becomes the raison d'etat. The fear of violent death must be eliminated by the state before man's desire for power can be fulfilled. In the absence of peace there can be no flourishing of the market society which Hobbes is seeking to promote.⁷⁶

⁷⁵" . . . when there is a controversy in an account, the parties must by their own accord, set up for right Reason, the Reason of some arbitor, or Judge, to whose sentence they will both stand or their controversie must either come to blowes, or be undecided, for want of a right Reason constituted by Nature . . ." Ibid., 18-19. In a later passage Hobbes seemingly contradicts himself: "For all men by nature reason alike and well, when they have good principles." Ibid., 21. However, the "good principles" would seem to be the conscious avoidance of seeking to use reason to attain transcendent truth; for it is nonexistent or unknowable.

⁷⁶"In such condition, (civil war) there is no place for Industry; because the fruit thereof is uncertain; and consequently no Culture of the Earth; no Navigation, nor use of the commodities that may be imported by Sea; no commodious Building; no instruments of moving, and removing such things as require much force; no Knowledge of the face of the Earth; no account of Time; no Arts; no Letters; no Society; . . ." Ibid., 62.

C. B. Macpherson makes the observation that Hobbes is claiming no transformation of man due to the entrance of the rule of law. The existence of the law and a sovereign power will simply allow natural man to channel his drives for power into market activities, because he no longer is required to enter the variables of plundering his neighbor or of self-protection into his calculations of attaining power. "The passion for commodious living is a passion of Hobbes' natural man. Natural man is civilized man with only the restraint of law removed."⁷⁷ The rule of law then becomes the cornerstone of bourgeois society because it allows and requires man's passions for power and glory to be fulfilled in the market place and through accumulation.

Hobbes supported the monarchy in England (this support was risky, for Charles I had been beheaded two years before the publication of Leviathan), but perhaps we should not construe Hobbes as being a monarchist to the exclusion of all other political positions. Hobbes' fundamental concern was maintaining the civil peace; the means adopted would require a prudential judgment. Once men contract with each other to institute a commonwealth, the form of the commonwealth whether monarchical or democratic should be maintained for the purpose of prevention of civil war which is the end of the

⁷⁷C. B. Macpherson, The Political Theory of Possessive Individualism, Hobbes to Locke (Oxford, 1962), p. 29.

commonwealth.⁷⁸ Evidently, Hobbes felt that continuation of the hereditary monarchy would best serve England in this task. A tendency toward support of monarchy might stem from the Hobbesian view of human nature. If an assembly of men becomes the legislative organ of state rather than one man, the human tendency toward pride and vanity will lead to endless harangues over the law. Nevertheless Hobbes does not seem to discard representative assembly as a viable form of polity.

There seems to be a conflict in Hobbes' mind between support of the monarch as the guardian of peace and acquiescence to the desires of the newly emerging merchant class to have some voice in the economic affairs of state. At one point in Leviathan the statement is made:

In a Bodie Politique, for the well ordering of forraigne Traffique, the most commodious Representative is an Assembly of all the members; that is to say, such a one, as every one that adventureth his mony, may be present at all the Deliberations, and Resolutions of the Body, if they will themselves.⁷⁹

⁷⁸"A Common-wealth is said to be Instituted, when a Multitude of men do Agree, and Covenant, every one, with every one, that to whatsoever Man, or Assembly of Men, shall be given by the major part, the Right to Present the Person of them all, (that is to say, to be their Representative;) every one, as well he that Voted for it, as he that Voted against it, shall Authorise all the actions and Judgments, of that Man, or Assembly of men, in the same manner, as if they were his own, to the end, to live peaceably amongst themselves, and be protected against other men." Hobbes, Leviathan, 88.

⁷⁹Ibid., 119.

It is not clear from this statement whether Hobbes has an affinity for a bourgeois legislature or whether he is simply outlining a plan for a joint stock company for purposes of engaging in international trade. From a later statement in Leviathan it seems that Hobbes is giving advice on the proper handling of a business venture. Those that have most to gain from a business venture should not be giving counsel to the king.

Another Businesse of the Sovereign, is to choose good Counsellours; I mean such, whose advice he is to take in the Government of the Commonwealth . . . The choyce of Counsellours therefore is proper to Monarchy; In which, the Sovereign that endeavoureth not to make choyce of those, that in every kind are the most able, dischargeth not his office as he ought to do. The most able, Counsellours, are they that have least hope of benefit by giving evill Counsell, and most knowledge of those things that conduce to the Peace, and Defence of the Common-wealth.⁸⁰

This statement seems to be pointing toward the Board of Trade instituted under the tutelage of John Locke. A group of disinterested experts, not interested bourgeois, is called for by Hobbes to advise on matters of peace and defense. Foreign policy seems to be emphasized in the quotation. Leo Strauss points out that the Hobbesian emphasis on foreign policy arises because the principle of pride and vanity has been applied to the state as well as to individual men. The state jealously compares itself with others.⁸¹

⁸⁰ Ibid., 183-184.

⁸¹ Strauss, Hobbes, pp. 152-163.

However, domestic economic policy is not neglected because the sovereign must also prevent civil disorder in maintaining the peace:

The best Counsell, in those things that concern not other Nations, but onely the ease, and benefit the Subjects may enjoy, by Lawes that look onely inward, is to be taken from the generall information and complaints of the people of each Province, who are best acquainted with their own wants, and ought therefore, when they demand nothing in derogation of the essentiall Rights of Sovereignty, to be diligently taken notice of.⁸²

Economic thinking has now entered into discussions of polity in an important way. The wishes of the bourgeoisie must be considered because they provide the nutrition for Leviathan, Hobbes' artificial man (and mortal god). "The nutrition of a Common-wealth consisteth, in the Plenty, and Distribution of Materials conducing to Life; . . ."⁸³

Hobbes' system now is complete; man's basic drive is to preserve his life. For this reason men contract among themselves to form commonwealths. The end, of course, for the commonwealth is to fulfill the contract and preserve men's lives, that is to prevent civil

⁸²Hobbes, Leviathan, 184-185.

⁸³Ibid., 127. Hobbes also discusses the circular flow of money and goods as being the very life-blood of Leviathan: "By the means of which measures, (gold and silver) all commodities, Moveable, and Immoveable, are made to accompany a man, to all places of his resort, within and without the place of his ordinary residence; and the same passeth from Man to Man, within the Common-wealth; and goes round about, Nourishing (as it passeth) every part thereof; In so much as this Concoction, is as it were the Sanguification of the Common-wealth: . . ."Ibid., 130.

war. In addition to man's most reliable passion, there is a desire for power which is manifested in our pursuit of honor, knowlege, or riches. The monarch must be shrewd enough to let men vent these natural drives within a framework of law which will at all times maintain the peace. Men may not find this rule of the monarch odious if they will content themselves with the pursuit of riches and not become overwrought in the search for the highest good. This pursuit will not only lead to contentment but will also provide those useful and necessary goods that are the life-blood of the commonwealth.

John Locke takes his position as a man of modern science in An Essay Concerning Human Understanding. The two modern principles concerning nature and reason are adopted by Locke. Since nature is atoms in motion, there is no internal principle of development; and men, as part of nature, possess no innate principles.

Virtue generally approved, not because innate, but because profitable. Hence naturally flows the great variety of opinions concerning moral rules which are to be found amongst men, according to the different sorts of happiness they have a prospect of, or propose to themselves; which could not be if practical principles were innate, and imprinted in our minds immediately by the hand of God.⁸⁴

⁸⁴John Locke, An Essay Concerning Human Understanding, 79-80.

Reason, for Locke, is a means toward knowledge; but the connotation of right reason is absent.⁸⁵ Knowledge is not knowledge of ultimate causes but a perception of agreement or disagreement between two ideas.

Knowledge is the Perception of the Agreement or Disagreement of two ideas. Knowledge then seems to me to be nothing but the perception of the connexion and agreement, or disagreement and repugnancy, of any of our Ideas. In this alone it consists. Where this perception is, there is knowledge, and where it is not, there, though we may fancy, guess, or believe, yet we always come short of knowledge. For when we know that white is not black, what do we else but perceive than these two ideas do not agree?⁸⁶

In Locke's political works divine revelation is used in part to legitimate economic and political institutions, and attimes Locke introduces the concepts of natural law and right reason. This is a clear inconsistency with his position on internal principles and reason as given in the Essay. Locke was fully aware of this and simply said that a detailed study of natural law was "besides my present purpose." His "present purpose" in the Two Treatises of Government was obviously to convince people of the correctness of his doctrines of property and civil government.

⁸⁵"The greatest part of our knowledge depends upon deductions and intermediate ideas; and in those cases where we are fain to substitute assent instead of knowledge, and take propositions for true, without being certain they are so, we have need to find out, examine, and compare the grounds of their probability. In both these cases, the faculty which finds out the means, and rightly applies them, to discover certainty in the one, and probability in the other, is that which we call reason." Ibid., 416.

⁸⁶Ibid., 320.

Peter Laslett comments on the differences between these two important works by Locke:

So sharp is the contrast between two almost contemporaneous works by the same man that in one passage in Two Treatises, . . . Locke uses language on the subject of natural law which seems inconsistent with his own statements about innate ideas in the Essay. Questioning on this point cannot be pressed too far, for we are told that 'it would be besides my present purpose, to enter here into the particulars of the Law of Nature, or its measure of punishment; yet, it is certain there is such a Law, and that too, as intelligible and plain to a rational Creature, and a Studier of that Law, as the positive Laws of Commonwealths may possibly plainer' (II, 12).⁸⁷

So Locke solves the modern dilemma of political legitimization by speaking two contrary doctrines. However, the fundamental law of nature spoken of in the Treatises is self-preservation which seems more like an instinct or passion than any natural law apprehended by right reason. ". . . the fundamental law of nature being the preservation of mankind, no human sanction can be good or valid against it."⁸⁸ This passion does not necessarily mean that life must be nasty, brutish, and short in the state of nature. For Locke, the desire for power and riches can be bridled internally by reasonable men.

And thus, I think it is very easy to conceive without any difficulty how labour could at first begin a title of property in the common things of nature, and how the spending it upon our uses bounded

⁸⁷This quotation is taken from the introduction by Peter Laslett to John Locke, Two Treatises of Government, ed. by Peter Laslett, (New York, 1963), pp. 94-95.

⁸⁸Ibid., II, 135.

it; so that there could then be no reason of quarrelling about title, nor any doubt about the largeness of possession it gave. Right and conveniency went together: for as a man had a right to all he could employ his labour upon, so he had no temptation to labour for more than he could make use of. This left no room for controversy about the title, nor for encroachment on the right of others; what portion a man carved to himself was easily seen, and it was useless, as well as dishonest, to carve himself too much, or take more than he needed.⁸⁹

Reason dictates that we not plunder our neighbor's possessions in the state of nature because of the ease of accumulating possessions without plunder. Any war of all against all must be regarded as an aberration: "Men living together according to reason, without a common superior on earth with authority to judge between them, is properly the state of nature,"⁹⁰ Natural man for Locke is not driven by uncontrollable, inflamed passions, but is a calmer, more reasonable man.

If this is the state of nature, why should men have the propensity to contract among themselves and form civil societies? It seems that there are two possible answers. One is that Locke is really not serious in his description of natural man, and in fact is very Hobbesian in his view of the state of nature. This can be hypothesized on the basis of the following quotation from the

Second Treatise:

⁸⁹Ibid., II., 51.

⁹⁰Ibid., II, 19.

. . . whereby it is easy to discern who are and who are not in political society together. Those who are united into one body, and have a common established law and judicature to appeal to, with authority to decide controversies between them and punish offenders, are in civil society one with another; but those who have no such common appeal--I mean on earth--are still in the state of nature, each being, where there is no other, judge for himselfe and executioner, which is, as I have before shown it, the perfect state of nature.⁹¹

If each man is judge and executioner in the state of nature, then the nasty, brutish, and short life may not be far behind. Perhaps the clearest explanation of the need for a social contract is found in Locke's explanation of the development of the money economy. In the days of barter men tended to acquire land and goods only in quantities sufficient for their preservation, only those quantities that could be used without spoilage or wastage. Money provided a medium of accumulation which would not spoil or perish and which had a continual command over the really valuable things of life. A man could justify the planting of excess crops if the excess could be converted into something of permanent value--that is money.⁹² Man now begins to look more Hobbesian. The desires for power and glory become prominent. More land is enclosed than can be made use of and accumulation becomes the order of the day.

⁹¹Ibid., II, 87.

⁹²Ibid., II, 50.

In the state of nature (before the money economy) no one had the inclination toward undue accumulation of property. This is not true after the appearance of money, and the social contract is made for the purpose of establishing an umpire over conflicting property claims. This will prevent each man being his own judge and executioner and a probable war of all against all.

Macpherson presents another interpretation of Locke's nature of man before and after the money economy: especially with regard to the apparent contradiction in Locke's showing a limited right to appropriation of land before the money economy and an unlimited right to appropriation after the introduction of money. The contradiction can be solved by considering Locke's assumption that all men have the right to preservation. Before money, an unlimited accumulation of land would deny some their natural right to subsistence. After the introduction of the money economy, appropriation of land denies no one the right to subsistence because wage employment is now available. Appropriation of land actually makes the whole economy more productive, through increased agricultural output and increased wage labor (or alienable labor to use the technical Marxist term). So, far from denying any natural rights, appropriation of land has made it possible to satisfy these rights more fully.⁹³

Peaceful preservation is the end of government for Locke as well as Hobbes. Why then does Locke advocate civil government by

⁹³Macpherson, Possessive Individualism, pp. 212-215.

assembly and Hobbes advocate monarchy? Locke raises the possibility that Hobbes' monarch may be deranged and do those things to his subjects which they contracted together in order to prevent:

. . . absolute monarchs are but men, and if government is to be the remedy of those evils which necessarily follow from men's being judges in their own cases, and the state of nature is therefore not to be endured, I desire to know what kind of government that is, and how much better it is than the state of nature, where one man commanding a multitude, has the liberty to be judge in his own case, and may do to all his subjects whatever he pleases; and in whatsoever he doth, whether led by reason, mistake, or passion, must be submitted to, which men in the state of nature are not bound to do one to another?⁹⁴

Locke also claims that man's reason can obtain a knowledge of decent conduct: "The state of nature has a law of nature to govern it, which obliges every one; and reason, which is that law, teaches all mankind who will but consult it, that, being all equal and independent, no one ought to harm another in his life, health, liberty or possessions."⁹⁵ Hobbes would disagree precisely over this point, and claim that man's reason will lead to conflicting claims of proper conduct. It is for this reason that an authority must be set up to compel men to maintain the peace.

Regardless of Locke's natural law vocabulary in the Treatises both he and Hobbes are taking the modern natural right position.

⁹⁴Locke Treatises II, 13. Hobbes answers this point by claiming that no act of the sovereign can be disputed by a subject, even the putting to death of a subject, because every subject is author of every act of the sovereign due to the social contract. Hobbes Leviathan, 109. The problem here would seem to be that the raison d'etat is ended if a deranged king begins to kill his subjects.

⁹⁵Locke, Treatises, II, 6.

The fundamental right of man is self-preservation. It is a right of necessity--a principle of atomic motion. This is quite different from the internal principles of growth emphasized by the earlier natural law theorists which led to a highest good such as the beatific vision.

The tenor of the arguments of both Hobbes and Locke is that maintaining the peace is the primary task of government, and that men seem to have a passion for accumulation and acquisition. Locke is of the opinion that most men are reasonable (even after the development of the money economy), or can act reasonably if given a chance. Hobbes would disagree. Individual liberty seems to be more consonant with the writings of Locke. However, as mentioned above, individual actions may become harmful to society as a whole after the introduction of the money economy unless the social contract is made and a rule of law is established. Locke is a liberal in that he believes that primordial man (or pre-money man) is capable of handling his freedom.

With all Locke's concern with property rights and the freedom of citizens to depose unjust rulers, he was not an extreme laissez-faire economist. Peter Laslett has written an informative article on John Locke's intellectual influence and practical service upon the Board of Trade, a council with the responsibility of making commercial and plantation policy. Like Hobbes, Locke considered a board of experts to be the appropriate policy-making vehicle;

'The country gentleman who is most concerned in a right ordering of trade, both in duty and interests, is of all the most remote from any true notions of it, or sense of his stake in it.' But to Locke the country gentlemen meant the House of Commons, the 'Squires' as they are called in the College letters, and from this we may deduce that Locke did not trust the Commons with a board of trade. He may even have advised Somers in this sense. He wanted neither parliamentarians nor merchants on the board; he most certainly would not have agreed that the Bank of England was a proper model . . . Locke preferred the committee of experts which he had discussed with Somers.⁹⁶

In the eighteenth century Hutcheson and Smith must consider how far man's freedom can extend and what legitimate restraints must limit freedom. In what spheres will the "invisible hand" prove successful, and in what spheres will it fail and need augmentation by the state? These matters will crop up again as Hutcheson's moral foundations of political economy are discussed.

We have seen some of the issues with which the natural law is concerned. The Greeks held that the end for man was a life according to nature, or a life in harmony with the natural order of things. The reason of man is capable of discerning the natural law or the duties which when observed will allow man to achieve his place in the natural order and thus achieve happiness. The medieval church fathers held that reason was appropriate for discerning the natural law, but revelation was also available to them as a source of

⁹⁶Peter Laslett, "John Locke, The Great Recoinage, and the Origins of the Board of Trade: 1695-1698," The William and Mary Quarterly. July, 1957 XIV No. 3, 394-395.

knowledge. For the scholastics the ultimate end for man was the beatific vision or a state of pure communion with God. It was to this end that society should be organized and man's actions tend.

Thomas Hobbes helps to change the orientation of the natural law by adopting the new scientific viewpoint. There are no longer any internal, natural principles of growth. There are some natural rights which belong to man by the necessity of his atom-like motion. John Locke shares in the natural right viewpoint of Hobbes, but he exhibits a less authoritarian bent, primarily because Locke believed that government by assembly would be more effective than monarchy in guaranteeing natural rights.

We turn now to an exposition of the doctrines of Francis Hutcheson who occupies a position of mediation between the ancients and moderns. We shall see that Hutcheson's unique blend of ideas played an important part in the establishment of liberal economics and the foundation of the study of political economy as an autonomous science.

HUTCHESON'S PHILOSOPHY

In order to adequately understand Hutcheson's role as a founder of modern economics, we must delve into his philosophy. We know that political theorists, since the development of modern science, have faced the following dilemma. "How can political and economic institutions be legitimated when modern science tells us that ends or goals for mankind are unknowable by reason?" Hutcheson solves this dilemma, and in understanding his solution we can understand the basis of his support for liberal polity and liberal economics.

Hutcheson as Intermediate Figure

Hutcheson leads us to believe in some passages from his writings that he is not concerned with this typically modern dilemma, but that he embraces the ancient view of nature and reason.

If by natural we understand 'the highest Perfection of the Kind, to which any Nature may be improved by cultivating its natural Dispositions or Powers;' as few arrive at this in the Growth of their Bodies, so few obtain it in their Minds. But we may see what this Perfection is, to which our natural Dispositions tend, when we improve them to the utmost, as far as they are consistent with each other, making the weaker or meaner yield to the more excellent and stronger. Our several Senses and Affections, publick and private, with our Powers of Reason and Reflection, shew this to be the Perfection of our Kind, viz. 'to know, love, and reverence the great Author of all things; to form the most extensive Ideas of our own true Interests, and those of all other Natures, rational or sensitive; to abstain from all Injury; to pursue regularly and impartially the most universal absolute Good, as far as we can; to enjoy constant Self-Approbation, and Honour from wise Men; with Trust in divine Providence, Hope of everlasting Happiness, and a full Satisfaction

and Assurance of Mind, that the whole Series of Events is directed by an unerring Wisdom, for the greatest universal Happiness of the whole.¹

Notice Hutcheson's statement that men have natural dispositions toward an excellence. This, of course, is the ancient position that men have an internal principle of growth toward an end; men are not simply atoms or bodies in motion. Hutcheson also states that reason and reflection can point out the perfection of man. This, too, is the ancient view of reason. However, we cannot leave Hutcheson's philosophy with the assumption that he held the ancient view of nature and reason. A large part of his work argues otherwise, particularly on the matter of reason.

In Hutcheson's student days he attacked the position of Dr. Samuel Clarke and other moralists who held that moral laws could be deduced from the very process of reasoning itself.² Clarke held an extreme position, but Hutcheson, in reacting against rationalism in

¹Francis Hutcheson, An Essay on the Nature and Conduct of the Passions and Affections with Illustrations on the Moral Sense (London, 1728), pp. 199-200.

²"Samuel Clarke's Boyle Lectures On the Being and Attributes of God (1704-1705) had established him as the undisputed head of the rationalist school of English philosophy which sought to deduce moral laws from logical necessity. A disciple of Newton, Clarke emphasized the mathematical aspects of his master's teaching at the expense of the experimental. In 1713 the student Joseph Butler, later the distinguished Anglican bishop, upheld the empirical or Lockian position against Clarke's a priori in a series of calm and ably reasoned letters. In 1717 another student, Frances (sic) Hutcheson, of great distinction later as Professor of Moral Philosophy at Glasgow University, did likewise." E. C. Mossner, The Life of David Hume (Oxford, 1970), p. 58.

ethics, seems to eliminate reason completely as a means of knowing moral ends.

In 1725 Hutcheson had a vigorous debate in the London Journal with Gilbert Burnet over the place of reason in moral life. Burnet took the position that reason could know moral ends; Hutcheson held that this was not possible. In the debate Hutcheson gives a detailed account of reason and actions that are reasonable.

There are certain Words frequently used in our Discourses of Morality, which, I fancy, when well examined, will lead us into the same Sentiments with those of the Author of the late Inquiry into Beauty and Virtue. The Words I mean are these, when we say that Actions are Reasonable, Fit, Right, Just, Conformable to Truth. Reason denotes either our Power of finding out Truth, or a collection of Propositions already known to be True. Truths are either Speculative, as 'When we discover, by comparing our Ideas, the Relations of Quantities, or of any other Objects among themselves;' or Practical, as 'When we discover what Objects are naturally apt to give any Person the highest Gratifications, or what Means are most effectual to obtain such objects.' Speculative Truth or Reason is not properly a Rule of Conduct, however Rules may be founded upon it. Let us enquire then into Practical Reason, both with relation to the End which we propose, and the Means.

To a Being which acts only for its own Happiness, That End is Reasonable, which contains a greater Happiness than any other which it could pursue; and when such a Being satisfies itself with a smaller Good for itself, while a greater is in its Power; it pursues an Unreasonable End. A Being of this Temper, as to the Means, would call those Reasonable, which were effectual to obtain their End with the smallest Pain or Toil to the Agent; with such a Being, the Cruelty of the Means, or their bad Influence on a Community, would never make them pass for Unreasonable, provided they had no bad Influence on his own Happiness."³

³Gilbert Burnet and Francis Hutcheson, Letters between the late Mr. Gilbert Burnet, and Mr. Hutchinson (sic) (London, 1735), pp. 18-19.

Notice that speculative truth is a comparison of ideas or objects. Hutcheson seems to be moving toward a position that holds practical reason as a means of instrumentality toward some end, although his statement on practical truth as discovering objects "naturally apt to given any Person the highest Gratification" seems to indicate the ancient view of reason discovering ends or at least objects conducive to man's natural end. However, Hutcheson does not conceive of practical reason in this way. Later he speaks of practical reason "with relation to the End which we propose, and the Means." We propose ends; we do not discover them through reason. Hutcheson makes this point more explicitly and bluntly later in the debate. "Our Moral Sense and Affections determine our End, but Reason must find out the Means."⁴

It seems clear to me that Hutcheson is adopting the modern position that reason cannot know ultimate ends. However, Hutcheson does not say that ends do not exist or that they are arbitrary. The difficulty in understanding him comes from Hutcheson's more ancient view of nature. He holds that there are some internal principles or tendencies in man. It is reason's place to inquire into the direction of natural tendencies but the judgment of rightness or wrongness of tendencies comes from a moral sense, not reason. Hutcheson states:

Philaretus [Burnet] wants to know if this Moral Sense of something amiable in Benevolence be Right and Reasonable, or fit and justifiable. If by these

⁴Ibid., p. 28.

Words he means, whether the Actions which this Sense at any time makes him approve, shall be always approved as Morally Good by him? The Author [Hutcheson] tells him, that this Moral Sense and our Benevolent Affections do make us pursue Publick Good as the End, find our greatest Pleasure in such Pursuits, and approve of all Benevolent Actions in others; but then the Author [Hutcheson] also in many Places recommends the most serious application of our Reason, to enquire into the natural tendencies of our Actions, as the Means to attain this End, that we may not be led by every slight Appearance of particular Good, to do Actions which may have prepollent evil Consequences. And this Inadvertance he makes one great Source of Immoral Actions, which both we ourselves and all others will condemn, when we observe the prepollent evil Consequences which the Agent might have foreseen.⁵

Hutcheson's younger correspondent, David Hume, understood Hutcheson's treatment of reason and morality in the manner that I have outlined. Reason or "the operations of the understanding" were incapable of moral perceptions. Moral judgments came from the sentiments. Hume, however, argues for a morality relative to each being which Hutcheson does not do.

"That Faculty, by which we discern Truth and Falshood (sic), and that by which we perceive Vice and Virtue had long been confounded with each other, and all Morality was suppos'd to be built on eternal and immutable Relations, which, to every intelligent Mind, were equally invariable as any Proposition concerning Quantity or Number. But a late Philosopher [noted as Hutcheson] has taught us, by the most convincing Arguments, that Morality is nothing in the abstract Nature of Things, but is entirely relative to the Sentiment or mental Taste of each particular Being; in the same Manner as the Distinctions of sweet and bitter, hot and cold, arise from the particular feeling of each Sense or Organ. Moral Perceptions

⁵Ibid., pp. 27-28.

therefore, ought not to be class'd with the Operations of the Understanding, but with the Tastes or Sentiments.⁶

It seems impossible to say unambiguously whether Hutcheson is ancient or modern in his treatment of nature and reason. He holds that men have inclinations or tendencies toward ends but that reason cannot apprehend these ends. This impasse is solved by Hutcheson through a study of the internal senses of men resulting in the moral sense doctrine. Through the moral sense doctrine Hutcheson exerts a mediating influence between ancient and modern philosophy. The moral sense doctrine also provides a means of reconciling self-interest with the public good and a powerful underpinning for liberal political economy.

In order to understand the moral sense more fully let us inquire into Hutcheson's development of this concept. For Hutcheson the truth about morals could be found by investigating the truth about men's senses.

This is a difficult task. Hutcheson approaches it by introspection which becomes the empirical method used to study events in the human mind. "In this Inquiry we need little Reasoning, or argument, since certainty is only attainable by distinct Attention to what we are conscious happens in our Minds."⁷ After observing one's own senses, the only possible way of making a generalized statement about the senses of men is to assume a roughly uniform constitution

⁶David Hume, The Philosophical Works, ed. by Thomas Hill Green and Thomas Hodge Grose, IV (London, 1882), 10.

⁷Francis Hutcheson, Passions and Affections, p. 2.

of human nature. Hutcheson asserts that this is the case. ". . . we must first know that the same Constitution of our Sense shall always remain: . . . Of the Continuance of the same Constitution of our Sense, we are as sure as of the Continuance of Gravitation, or any other Law of Nature: . . ."⁸

Hutcheson sounded the tocsin of the eighteenth century Scottish enlightenment by his vigorous explanation of the nature and scope of reason and his encouragement of the empirical method. Dugald Stewart gives this assessment of Hutcheson's influence on Scottish thought:

Hutcheson appears to have been the first Scottish thinker who, by substituting observation for a purely formal method of philosophical inquiry, fairly raised the current thought above the region of merely technical definition, and placed men with awakened sympathies in contact with life and reality. Without openly disclaiming the received metaphysical principles of the time, his analysis yet revealed elements that, if fairly weighed, were subversive of a sensuous theory of knowledge. Hutcheson struck with firm hand the key-note of Scottish speculation.⁹

⁸Ibid., p. 279.

⁹Dugald Stewart, The Collected Works (Edinburgh, 1858), X, xix. Concerning Scottish philosophy, James McCosh makes the following statement: "It (Scottish philosophy) proceeds on the method of observation, professedly and really. In this respect it is different from nearly all the philosophies which went before, from many of those which were contemporary, and from some of those which still linger among us. The method pursued in Eastern countries, in ancient Greece and Rome, in the scholastic times, and in the earlier ages of modern European speculation, had not been that of induction, either avowedly or truly. No doubt, speculators have been obliged in all ages and countries to make some use of facts, in the investigation both of mind and matter. But in the earlier theosophies, physiologies, and philosophies, they looked at the phenomena of nature merely as furnishing a starting-point to their system, or a corroboration of them; and their inquiries were conducted in the dogmatic, or deductive, or analytic manner, explaining phenomena by assumed principles, or bringing facts to support theories, or resolving the

In developing his system of ethics, the foundation upon which Hutcheson builds is a sense common to mankind which he calls the moral sense. The moral sense is internal but is as natural to man's make-up as the senses of taste and smell. An example of what is meant here by an internal sense is the sense of beauty. Arguments that are used to explain the essence of this internal sense can also be used to explain the moral sense. Hutcheson is in substantial agreement with John Locke's tabula rasa concept of the human mind, and he holds that the existence of internal senses does not mean that innate ideas are present. "The internal Sense is, a passive Power of receiving Ideas of Beauty from all Objects in which there is Uniformity amidst Variety."¹⁰ The internal sense of beauty does not give to the mind ideas of beauty as such, but is able to apprehend a beautiful object when brought into the purview of this sense by one of the other faculties such as sight or hearing. Many objects, of course, are apprehended by the external senses, but not all of them will be recognized as beautiful. The sense of beauty will enable

complexities of the universe by refined mental distinctions. This spirit had been banished from physical science, first, by the great realistic awakening of the sixteenth century; then by the profound wisdom and far-sighted sagacity of Bacon; and, finally by the discoveries of Newton and the establishment of the Royal Society of London. But it lingered for some ages longer in mental science, from which it has not even yet been finally expelled." James McCosh, The Scottish Philosophy (London, 1875), p. 2.

¹⁰Hutcheson, Inquiry, p. 75.

the mind to perceive as beautiful only those objects which truly are beautiful.¹¹

Custom, no doubt, influences our perceptions of things, but it does not change the constitution of our internal senses: ". . . Custom makes us more capable of retaining and comparing complex Ideas, so as to discern more complicated Uniformity, which escapes the Observation of Novices in any Art; but all this presupposes a natural Sense of Beauty in Uniformity: . . ."¹² Even though custom can refine our internal senses, the idea of beauty itself remains absolute. Hutcheson believes that absolute standards exist, not merely relative ones. ". . . in approving a beautiful form, we refer the beauty to the object; we do not say that it is beautiful because we reap some little pleasure in viewing it, but we are pleased in viewing it because it is antecedently beautiful."¹³

If an absolute standard of beauty exists, why do men profess diverse tastes and regard different objects as beautiful? Hutcheson answers this objection by stating that men may be swayed by other matters than the inherent beauty of a thing in itself, such as rewards and punishments. "Our Sense of Beauty from Objects, by which they are constituted good to us, is very distinct from our Desire of them when they are thus constituted: Our Desire of Beauty may be

¹¹Ibid., p. 7.

¹²Ibid., p. 82.

¹³Hutcheson, A System of Moral Philosophy (Glasgow, 1755), I, 54.

counter-ballanc'd by Rewards or Threatnings, but never our sense of it; . . ."¹⁴

A fruitful insight may be gained into Hutcheson's thought from some of his statements about beauty. Beauty consists in unity among diversity. We can pursue beauty by discovering general principles for explaining diverse phenomena.

That we may the better discern this Agreement, or Unity of an Infinity of Objects in the general Theorem, to be the Foundation of the Beauty or Pleasure attending their Discovery, let us compare our Satisfaction in such Discoverys, with the uneasy state of Mind which we are in, when we can only measure Lines, or Surfaces, by a Scale, or are making Experiments which we can reduce to no general Canon, but only heaping up a Multitude of particular incoherent Observations.¹⁵

It seems that for Hutcheson there was an aesthetic feeling connected with systematic models. There is no need to divorce oneself from experiencing beauty simply because of systematic scientific endeavor. In a related passage on the beauty of the unifying principle, Hutcheson gives evidence that he, like others, was seeking to become the Isaac Newton of moral philosophy and the social sciences.

In the search of Nature there is the like Beauty in the Knowledge of some great Principles, or universal Forces, from which innumerable Effects do flow. Such is Gravitation, in Sir Isaac Newton's Scheme; such also is the Knowledge of the Original of Rights, perfect and imperfect, and external; alienable and unalienable, with their manner of Translations; from whence the greatest Part of moral Dutys may be deduc'd in the various Relations of human life.¹⁶

¹⁴Hutcheson, Inquiry, p. 11.

¹⁵Ibid., p. 21.

¹⁶Ibid., p. 30.

So the search is begun for the original principle or touchstone of rights and duties. If this principle can be found, a better understanding can be gained and explanation given of the ethical system proper to mankind and the proper system of social relationships. Hutcheson introduces the moral sense as the ultimate basis of ethical behavior, and he seeks to construct a system in which the moral sense can serve as the universal social law of gravitation.

The Moral Sense

In order to establish the existence of a moral faculty in mankind, Hutcheson states that all societies condemn certain types of actions, such as murder and treachery. This universal abhorrence must argue for a uniform moral apprehension in man.

To prove that men have no moral faculty, or very dissimilar ones; we must show either that nations or great numbers of men hold all actions to be indifferent which don't appear to them to affect their own private interest; or that they are pleased with cruelty, treachery, ingratitude, unprovoked murders, and tortures . . . such nations have not yet been discovered to us, not even by the invention of the boldest traveller.¹⁷

Hutcheson places the burden of proof squarely on the shoulders of those who would argue against the existence of the moral sense. The above quotation has some degree of merit; certainly it would be very difficult to find a society or culture which condoned indiscriminate killing of human beings. Of course, we must not demand more certainty from Hutcheson than the subject matter permits, but these

¹⁷Hutcheson, System I, 91-92.

moral apprehensions were universal enough for Hutcheson to demonstrate to his own satisfaction that man has a moral faculty.

The moral sense is an internal sense like the sense of beauty and operates in a similar fashion. Good and evil events can be discerned when brought into the purview of the moral sense by the external senses.¹⁸ The good which is apprehended by each man's moral faculty is not relative to himself, but is absolute. Men may not act on this knowledge of the good due to ~~some~~ other powerful motives of interest or perhaps deliberate self-delusion.

This moral sense, either of our own Actions, or of those of others, has this in common with our other Senses, That however our Desire of Virtue may be counterballanc'd by Interest, our Sentiment or Perception of its Beauty cannot: as it certainly might be, if the only Ground of our approbation were views of Advantage.¹⁹

The moral faculty plays another important part in the constitution of man. Hutcheson has pointed out that reason is not capable of apprehending ends. Neither is reason capable of guiding man when immediate decisions must be made. Reason is too slow and deliberate,

¹⁸"We must then certainly have other Perceptions of moral Actions than those of Advantage: And that Power of receiving these Perceptions may be call'd a Moral Sense, since the Definition agrees to it, viz. a Determination of the Mind, to receive any Idea from the Presence of an Object, which occurs to us, independently on our Will." Hutcheson, Inquiry, p. 109.

¹⁹Ibid., p. 116. We also know that moral good is a higher type of good than any other. "But as we immediately perceive the difference in kind, and that the dignity of enjoyment from fine poetry, painting, or from knowledge is superior to the pleasures of the palate, were they never so delicate; so we immediately discern moral good to be superior in kind and dignity to all others which are perceived by the other perceptive powers." Hutcheson, System I, 61.

so the senses must be relied upon in such a circumstance. The moral sense can apprehend the good quickly.

Notwithstanding the mighty Reason we boast of above other Animals, its Processes are too slow, too full of doubt and hesitation, to serve us in every Exigency, either for our own Preservation, without the external Senses, or to direct our Actions for the Good of the Whole, without this moral Sense.²⁰

In A System of Moral Philosophy three reasons are given as to why men approve different actions even though the moral sense is uniform. The first is "Different notions of happiness and the means of promoting it." Although men may approve as good the same objects, differences may arise as to the proper means of achieving the object. However, how can men have different notions of happiness if they have uniform moral faculties? If happiness consists in knowing what is the good for man and doing it, then notions of happiness at least will be fairly similar among men. Of course, powerful pressures or confusion could act to make ideas of happiness differ, but Hutcheson's second reason clears up this objection. "A second cause of different approbations are the larger or more confined systems which men regard in considering the tendencies of actions; . . ." If one's happiness depends only upon himself and some small sect with which he is concerned, then there will be a particular set of objects that will tend toward his happiness. If another individual's happiness is dependent on himself and larger systems of mankind, such as a country or the world, then perhaps a different group of objects or events will lead

²⁰Hutcheson, Inquiry, p. 245.

to that individual's happiness. Whether an event makes us happy or not may depend upon how far we are willing to trace the effects of an event on other people in the world and how far our concern extends.

The third reason given to explain differences in approbation is ". . . the different opinions about what God has commanded." Hutcheson holds that the moral sense of man is sufficient to attain knowledge of the good without divine revelation. In fact divine revelation may prove to be an absolute confusion at times; ". . . (Men) may have some confused notions of matters of duty and obligation, distinct from what their hearts would approve were the notions of divine commands removed." Hutcheson realizes that obedience to divine dictates is a commendable trait and frequently advantageous to the public good. However, to take an extreme example, if an individual is engaging in human sacrifice in obedience to divine dictates, he is clearly acting perversely to the strong inclination of the moral sense. If he does not seriously question the truth of this religious system, he evidences a defect of character.²¹

²¹Hutcheson, System I, 92-96. Hutcheson may be following Grotius who said that natural law would retain its validity even if God did not exist. "But Grotius' aim was to construct a system of laws which would carry conviction in an age in which theological controversy was gradually losing the power to do so. He therefore proceeded on the hypothesis further than anyone had done before him . . . He proved that it was possible to build up a theory of laws independent of theological presuppositions. His successors completed the task. The natural law which they elaborated was entirely 'secular'. They sharply divided what the Schoolmen had taken great pains to reconcile." D'Entreves, Natural Law, p. 52.

In presenting an explanation of the moral sense and some of the problems present in the world which prevent its complete operation, Hutcheson presents some ideas which could lead to policy recommendations with a view toward allowing more perfect functioning of the moral sense in society and to prevent improper functioning.

The first notion is that education can play a powerful role in refining moral tastes and eliminating confusion which might hinder us from following the dictates of the moral sense. It seems that a complete and thoroughgoing discussion of morals is needed by the citizenry. ". . . presenting more fully all the evidence on both sides, by serious attention, or the best exercise of the reasoning power, corrects the hasty judgment. Just so in the moral perceptions."²² Hutcheson shares the view of Plato here, that if men have a firm idea of the good, then they will pursue it. It is precisely the task of education to remove the veils of misunderstanding which will allow the moral sense to present an unadulterated concept of the good to the mind.

²²Hutcheson, System I, 61. Hutcheson also states: ". . . among the several affections approved there are many degrees: some much more lovely than others. 'Tis thus alone we correct any apparent disorders in this moral faculty, even as we correct our reason itself. As we improve and correct a low taste for harmony by enuring the ear to finer compositions; a low taste for beauty, by presenting the finer works, which yield an higher pleasure; so we improve our moral taste by presenting larger systems to our mind, and more extensive affections toward them; and thus finer objects are exhibited to the moral faculty, which it will approve, even when these affections oppose the effect of some narrower affections, which considered by themselves would be truly lovely. No need here of reference to an higher power of perception, or to reason." Ibid., p. 60.

The next recommendation that Hutcheson makes is for a method of rectifying failures of the moral sense. It is to be expected that occasionally events will give rise to violent and confused passions among the populace which will prevent the proper exercise of virtue. In such a case "A Law with Sanctions, given by a superior Being, of sufficient Power to make us happy or miserable, must be necessary to counter-balance those apparent Motives of Interest, to calm our Passions, and give room for the recovery of our moral Sense, . . ."²³ Whether the law is to be given by divine revelation or a philosopher king is not clear from this passage. What is clear is that the law must be established at a time when the moral sense is in good working order. When this is done, a rule of law can be instituted which should not prove odious to the people. For the only instance in which sanctions would apply is when an individual acts perversely in contradiction to his own internal sense. Of course, education will make the burden of the law lighter still, as men are made more aware of their own self-generated moral imperatives.

The Good

Much has been said about the existence of an internal moral sense, but what does this sense reveal about the nature of good and evil, virtue, and happiness for man? We must have answers to these

²³Hutcheson, Inquiry, pp. 251-252.

questions before we can understand the basis for natural rights and duties, the role of the state, and the legitimate sphere of economic activities.

The good is not merely absence of pain; although Hutcheson realized that the threat of pain might be a stronger stimulus to men than the pursuit of good.²⁴ Death itself is not the greatest evil to be feared, at least to a generous mind. The basis of Hobbes' Leviathan may be undermined by the spread of liberal ideas.

. . . an honourable Death is far from appearing to a generous Mind, as the greatest of Evils. The Ruin of a Free State, the Slavery of a generous Spirit, a Life upon shameful Terms, still appear vastly greater Evils; beside many other exquisite Distresses of a more private nature, in comparison of which, an honourable Death befalling a favourite character, is looked upon as a Deliverance.²⁵

However, on the basis of a few quotations, a case could be made that Hutcheson, not Bentham, founded the philosophical radical movement. The following statement is made in An Inquiry into the Original of our Ideas of Beauty and Virtue: ". . . that Action is best, which accomplishes the greatest Happiness for the greatest Numbers; and that, worst, which, in like manner, occasions Misery."²⁶ Of course,

²⁴" . . . our own selfish passions which repel evil, such as fear, anger, resentment, are generally stronger commotions of soul than the passions pursuing private good . . . since immunity from pain seems previously necessary to the enjoyment of good." Hutcheson, System I, 20.

²⁵Hutcheson, Passions and Affections, p. 73.

²⁶Hutcheson, Inquiry, p. 164.

the greatest happiness principle leads to the question: "What is happiness." Hutcheson's response in one passage is:

In the following Discourse, Happiness denotes pleasant Sensation of any kind, or a continued State of such Sensations; and Misery denotes the contrary Sensations.

Such Actions as tend to procure Happiness to the Agent, are called privately useful: and such Actions as procure Misery to the Agent, privately hurtful.²⁷

To this statement can be added another: "Natural Good is Pleasure: Natural Evil is Pain."²⁸ It seems that the principle of utility has been established as the criterion of all human action. An action is useful or has utility if it leads to the happiness of the agent; happiness is equivalent to the good for the agent, and the good is pleasure or pleasant sensation. If Hutcheson held the above positions without qualification, autonomous utility functions would be enthroned as final arbiters of right. Anything which yielded pleasure to an individual would constitute the good for that individual. The question of the good for man would be answered on the basis of subjective apprehensions, as it was for Jeremy Bentham. It is also true that in An Inquiry Hutcheson seeks to develop a mathematical system, similar in concept to the felicific calculus, for computing the moment of evil that results from any particular action. The connection between Hutcheson and the philosophical radicals would seem to be very strong.

²⁷Hutcheson, Passions and Affections, p. 205.

²⁸Ibid., p. 34.

There may be such a connection, but Hutcheson was not a utilitarian.²⁹ Ends for man were not the result of random desires, but were apprehended by the moral sense. Men do achieve happiness through pleasure, but there are several kinds of pleasure, and Hutcheson was interested in showing men the path toward achieving the highest pleasure or happiness.

Is there therefore no disputing about Tastes? are all Persons alike happy, who obtain the several Enjoyments for which they have a Relish? If they are, the Dispute is at an end: . . . Or may not some Characters be found among Men, who alone are capable of judging in this matter?

II. It is obvious that 'those alone are capable of judging, who have experienced all the several kinds of Pleasure, and have their Senses acute and fully exercised in them all.' Now a high Relish for Virtue, or a strong moral Sense, with its concomitant publick Sense and Affections, and a Sense of Honour, was never alledged to impair our external Senses or to make us incapable of any pleasures of the Imagination; Temperance never spoiled a good Palate, whatever Luxury may have done; a generous affectionate publick Spirit, reflecting on itself with delight, never vitiated any Organ of external Pleasure, nor weakened their Perceptions. Now all virtuous Men have given Virtue this Testimony, that its Pleasures are superior to any other, nay to all others jointly; that

²⁹Bentham explicitly belittles Hutcheson's moral sense system of morals. "It is curious enough to observe the variety of inventions men have hit upon, and the variety of phrases they have brought forward, in order to conceal from the world, and, if possible, from themselves, this very general and therefore very pardonable self-sufficiency.

I. One man says, he has a thing made on purpose to tell him what is right and what is wrong; and that it is called a moral sense: and then he goes to work at his ease, and says, such a thing is right, and such a thing is wrong--why? 'because my moral sense tells me it is.'" Jeremy Bentham, An Introduction to the Principles of Morals and Legislation, Vol. II of British Moralists, ed. by L. A. Selby-Bigge (Oxford, 1897), p. 347.

a friendly generous Action gives a Delight superior to any other; that other Enjoyments, when compared with the Delights of Integrity, Faith, Kindness, Generosity, and publick Spirit, are but trifles scarce worth any regard.³⁰

Those are capable of instructing who have been through the whole range of pleasures open to man, pleasures of the external senses as well as pleasures of the moral sense. Hutcheson states that the world's great sages have spoken in a similar vein when speaking of the highest pleasure (or the good).

Now all Men of Reflection, from the Age of Socrates to that of Addison, have sufficiently proved that the truest, most constant, and lively Pleasure, the happiest enjoyment of Life consists in kind Affections to our Fellow-creatures, Gratitude and Love to the Deity, Submission to his Will, and Trust in his Providence, with a Course of suitable Actions. This is the true Good in our power, which we can never too strongly desire. The Pleasures of this kind are so great and durable, and so much above the power of Fortune, . . . that other Pleasures seem almost to vanish when separated from them; . . .³¹

The highest pleasures are found in a proper frame of mind toward our fellows, love and submission to the Deity, and a suitable course of actions in the world. The pleasures built on this view of the good are less subject to the vagaries of fortune than pleasures built solely upon gratification of the senses. Hutcheson, like Aristotle, acknowledges fortune's power;³² neither the moral world nor the world of external goods is without risk. It seems that Hutcheson is saying here that a life built around external pleasures is a greater risk

³⁰Hutcheson, Passions and Affections, pp. 128-129.

³¹Francis Hutcheson, A Collection of Letters and Essays on Several Subjects (London, 1729), p. 374. See Bibliography.

³²See above, p. 14.

than a life in the moral world due to the possibility of bad luck in procuring external goods and the strong possibility that the life of gratification of the external senses will not ultimately produce pleasure. However, this is not to say that purposeful action cannot be undertaken in the physical world or the world of goods. The moral as well as the physical universe is ruled by general laws from God. This makes possible understanding of the moral duty of man as well as consistent cause-and-effect science. The physical world is in fact under the sway of the Deity's moral law. The man pursuing the highest pleasure must apprehend the course of action appropriate to each part of the moral order.

As to the Operations of the Deity by general Laws, there is a further Reason from a Sense still superior to these already consider'd, even that of Virtue, or the Beauty of Action, which is the Foundation of our greatest happiness: For were there no general Laws fix'd in the Course of Nature, there could be no Prudence or Design in Men, no rational Expectation of Effects from Causes, no Schemes of Action projected, nor any regular Execution. If then according to the Frame of our Nature, our greatest Happiness must depend upon our Actions, as it may perhaps be made appear it does, 'The Universe must be governed, not by particular Wills, but by general Laws, upon which we can found our Expectations, and project our Schemes of Actions.'³³

This superior sense that Hutcheson refers to here must be the moral sense of the Deity by which he is moved to make the universe

³³Hutcheson, Inquiry, p. 97. The internal quotation marks are a stylistic device used by Hutcheson. They do not indicate another author's work.

comprehensible to us, and our actions can be made effective when they are in accord with the moral nature of the universe. This characteristic must move us to love and submit to the great Creator of the cosmos.

The third ingredient necessary for the good life is "kind affections to our fellow-creatures," or benevolence. Benevolence is recommended to man by the moral sense and is also intrinsic to the character of God.³⁴ Benevolence is regarded by Hutcheson as the great principle by which society is organized. In a striking passage Hutcheson compares this principle of benevolence to the principal of gravitation. The moral philosopher is trying to bring the certainty attainable in the physical sciences into the social sciences.

This universal Benevolence toward all Men, we may compare to that Principle of Gravitation, which perhaps extends to all Bodys in the Universe; but, like the Love of Benevolence, increases as the Distance is diminish'd, and is strongest when Bodys come to touch each other. Now this increase of Attraction upon nearer Approach, is as necessary to the Frame of the Universe, as that there should be any Attraction at all: For a general Attraction, equal in all Distances, would by the Contrariety of such multitudes of equal Forces, put an end to all Regularity of Motion, and perhaps stop it altogether.³⁵

A strong benevolence among small circles of relatives and friends can be depended upon to hold society together. In other passages, Hutcheson seems to contradict this notion of benevolence

³⁴Hutcheson, System I, 69.

³⁵Hutcheson, Inquiry, pp. 198-199.

by stating that the moral sense gives the highest approval to the most extensive benevolence rather than narrower spheres of benevolence.³⁶ This seeming tension could be dismissed due to Hutcheson's vigorous attempt to arrive at a universal system of social behavior. But perhaps there is no contradiction at all. The principle of benevolence which is compared to gravitation is a principle which is natural to man and independent of any moral sense. After all, even bands of thieves cohere for a time, perhaps due to benevolence among some of the members. On the other hand, the principle of universal benevolence which is apprehended by the moral sense can strengthen bonds between larger social groups, perhaps as large as a country or the world. As social bonds become more universal, refinement of tastes and the spread of civilization can proceed apace.³⁷ These two concepts of benevolence point out again the importance of proper education of youth. Society needs an educational system that

³⁶"Our moral Sense, tho it approves all particular kind Affection or Passion, as well as calm particular Benevolence abstractly considered; yet it also approves the Restraint or Limitation of all particular Affections or Passions, by the calm universal Benevolence." Hutcheson, Passions and Affections, p. 31.

³⁷W. R. Scott makes the following statement about Hutcheson. ". . . there is no difficulty in gathering the impression, from its broad outlines, of what he conceived his message to his generation to be and the effects which resulted from it. He himself says, 'I am called "New Light" here,' and this expression embodies the whole secret of his attitude to the questions of his time. He was pre-eminently the messenger of culture and opponent of Philistinism, whether in the Church, the University, or social life. In a word he was a Philosopher of the Enlightenment in Scotland." Scott, Hutcheson, p. 257.

will remove foolish prejudices, customs, and associations from the mind; only then can the moral sense point out clearly the proper course of action to the individual. Hutcheson himself was engaged in this type of education in Glasgow where he (and later Adam Smith) held all types of "enthusiasm" in suspicion,³⁸

Benevolence or "kind affections to our fellow creatures" is part of the highest happiness or the good for man. But, what specific form should benevolence take, or what actions does the moral sense recommend to us as benevolent? A detailed discussion of benevolence in Hutcheson's writings becomes transmogrified into a discussion of the life of virtue. At the outset of this exposition, Hutcheson warns that there are risks involved in attempting to live the life of virtue, but, of course, the whole tenor of Hutcheson's work argues that the game is worth the candle.

. . . Virtue consists in Benevolence, or Desire of the publick Good: The Happiness of others is very uncertain, so that our publick Desires may often be disappointed; and every Disappointment is uneasy, in proportion to the Degree of Desire. And therefore, however the Admiration

³⁸Hutcheson notes that the state may appoint leaders of religion to "prevent the influence of dangerous enthusiasts or rogues." Hutcheson, System II, 312. The state may restrain either atheists or religious fanatics when they deny social virtues. "As to direct Atheism, or denial of a moral providence, or of the obligations of the moral or social virtues, these indeed directly tend to hurt the state in its most important interests: and the persons who directly publish such tenets cannot well pretend any obligation in conscience to do so. The magistrate may therefore justly restrain them by force, as he might any deluded fool or enthusiasts who pretended conscience in invading the rights or properties of others." Ibid., II, 313.

and fixed Pursuit of Virtue may always secure one stable and constant Pleasure of Self-Approbation, yet this Enjoyment presupposes a Desire of publick Good, subject to frequent Disappointment, which will be attended with Uneasiness proportioned to the Degree of publick Desire, or the Virtue upon which we reflect.³⁹

Benevolence is desire for the public good or the desire for the happiness of others. Since others are frequently not happy our benevolent desires may be frustrated, leading to some uneasiness on our part. But, the life of virtue demands that we take this risk.

For the virtuous man, the happiness of others is bound up with his own happiness, but a precise, objective definition of happiness is required if anything further is to be said about the good life and the best regime. As stated above happiness is equated with pleasure, but not merely pleasure as posited by individual utility functions.⁴⁰ There exists a gradation of pleasures from the lowest to the highest. The higher pleasures are not relative but absolutely verifiable by the moral sense. The greatest pleasure, or highest happiness, or the good for man consists in the beatific vision and performance of our duty.

³⁹Hutcheson, Passions and Affections, pp. 115-116.

⁴⁰"The chief happiness of any being must consist in the full enjoyment of all the gratifications its nature desires and is capable of; or if its nature admits of a great variety of pleasures of different and sometimes inconsistent kinds, some of them also higher and more durable than others, its supreme happiness must consist in the most constant enjoyment of the more intense and durable pleasures, with as much of the lower gratifications as consists with the full enjoyment of the higher." Hutcheson, System I, 100.

Such contemplations of the venerable, and adorable Excellency and gratuitous Goodness of God, whom every good man regards as the witness and approver of his actions, will lead us to an ultimate resting in virtue: that highest purity of it, by which we look upon conformity to the divine Will, the discharging the duty assigned us by him, and performing our part well, as the chief good, the chief fruit of virtue.⁴¹

Hutcheson's view of the highest good sounds very Thomistic at this point. In addition to the beatific vision, men are called to engage in a life of action in the world. The action to which we are called is virtuous action.⁴² Specifically, the life of virtue according to Hutcheson can be discussed under four heads: justice, temperance, fortitude, and prudence.⁴³

The Virtues

Temperance is the exercise of power over the lower appetites. This is necessary because "the meanest and most transitory" desires may overwhelm men and cause a divergence from the life of virtue. Fortitude consists in the disdain for death incurred in "every honourable cause." The virtuous man has weighed the good and evil arising from corporeal existence and on occasion may choose death.

⁴¹Francis Hutcheson, A Short Introduction to Moral Philosophy, (Glasgow, 1747), pp. 73-74.

⁴²"The whole frame of our nature shews that we are destined for action, and that in virtuous action alone we can find the highest happiness, in comparison with which all sensual pleasures appear despicable." Ibid., p. 52.

⁴³This sounds similar to Plato's treatment of the virtuous life as consisting of wisdom, courage, discipline, and justice. The Republic 427. Hutcheson's own training and his associations with Shaftesbury provided him with a knowledge of and respect for classical learning.

If moral evils, and some sympathetick sufferings are worse than any external ones, and can make life shameful and miserable amidst all affluence of other things, as we shewed above; if at best, life is but an uncertain possession we must soon lose; we shall see something that is more to be dreaded than death, and many just reasons why it may on certain occasions be our interest to incur the danger of it.⁴⁴

Hutcheson states concerning the virtue of prudence:

Prudence is that habit of attention to the nature of the several objects which may sollicit our desires, engaging us to a thorough inquiry into their importance, in themselves and their consequences, either to the greatest private happiness of the individual, or to that of the system. This virtue is some way prerequisite to the proper exercise of the other three, and is generally first mentioned in order; tho' justice is the supreme one to which all the rest are subservient. We leave it to more practical treatises to dilate upon these things.⁴⁵

Prudence seems to be a discrimination between lower and higher goods or objects of desire. This power of discrimination is seated in the moral sense.

The prudent man will understand that external goods constitute a portion of the objects of desire. There is nothing pernicious in this; there is nothing evil in itself about natural desires and passions; in fact, they may prove quite useful at times.⁴⁶ The prudent man will not shun labor. Labor is not only necessary to procure goods and the objects of desire (these desires, of course, are held within limits by temperance), but also a necessary part of the

⁴⁴Hutcheson, System I, 223.

⁴⁵Ibid., I, 223-224.

⁴⁶Hutcheson, Short Introduction, p. 91.

happiness of man, especially when contrasted with mere idleness or sloth.⁴⁷

The whole former reasonings unite in this conclusion, that happiness consists in the virtues of the soul, and in the continued exercise of them in good offices: to the completion of which however some moderate advantages with respect to the body and fortune are requisite, at least that we enjoy health, and such a competence of external things as may satisfy the painful cravings of nature. From the possession of virtue alone life is to be counted happy: but to make it completely so there must be a moderate degree of external prosperity.⁴⁸

Three of Hutcheson's cardinal virtues have been presented, and, following the lead of Socrates, justice must be what is left. Justice is the supreme virtue to which all the rest are subservient.⁴⁹ Justice is recommended to us by the moral sense, and it consists of:

. . . a constant study to promote the most universal happiness in our power, by doing all good offices as we have opportunity which interfere with no more extensive interest of the system; preferring always the

⁴⁷"Does not the universal choice of Mankind, in preferring to bear Labour for the Conveniencies and Elegancies of Life, shew that their Pleasures are greater than those of Sloth, and that Industry, notwithstanding its Toils, does really increase the Happiness of Mankind? Hence it is that in every Nation great Numbers support themselves by Mechanick Arts not absolutely necessary; since the Husbandman is always ready to purchase their Manufactures by the Fruits of his Labours, without any Constraint; which they would not do if the Pleasures or Happiness of Idleness were greater. This may shew us how little Justice there is in imagining an Arcadia, or unactive Golden Age, would ever suit with the present state of the World, or produce more Happiness to Men than a vigorous improvement of Arts." Hutcheson, A Collection, p. 378.

⁴⁸Hutcheson, Short Introduction, p. 56. Aristotle makes a similar statement about the place of goods in the life of virtue. See above, p. 13. Aristotle also says, "mankind do not acquire or preserve virtue by the help of external goods, but external goods by the help of virtue, . . ." Aristotle, Politica, 1323a 41-1323b 1.

⁴⁹Hutcheson, System I, 224.

more extensive and important offices to those of less extent and importance; and cautiously abstaining from whatever may occasion any unnecessary misery in this system. This is the cardinal virtue of justice . . .⁵⁰

The virtuous man in order to actualize justice must perform good offices and promote the most universal happiness. A specific statement about good offices is found in the second volume of A System of Moral Philosophy:

'Tis the duty of each individual toward mankind, as well as toward his peculiar friends or relations, to follow some profession or business subservient to some common good. Men of wealth sufficient for themselves and their families, are not perhaps obliged to any lucrative professions; but they are rather more than others obliged to an active life in some service to mankind. The publick has this claim upon them: the divine providence calls them to extend their views of publick good, in contriving wise forms of polity, or prudent laws; in encouraging the more ingenious and useful arts; in supporting distressed innocence; and employing all their weight and influence in society for some generous purposes; . . .⁵¹

Justice requires that each individual perform a job which furthers the common interest in society. For those with wealth which places them beyond the necessity of day to day labor, justice makes a further demand for good offices. The good offices involved in securing justice include aid to the needy, participation in constructing and maintaining wise government, and encouraging technological advance which will secure more easily an adequate supply of external goods. This in turn will satisfy the "painful cravings of nature"

⁵⁰Ibid., I, 222.

⁵¹Ibid., II, 113. Wealth leads to sufficient leisure for performance of good offices. Certain duties are incumbent on the leisure class. "More is demanded from such as have had instruction, leisure for meditation, and access to better stations." Ibid., I, 241.

for larger portions of mankind which will allow many a respite from long hours of toil, and more time for achievement of man's highest happiness, the beatific vision.

There is a further aspect of justice, and this is the justice that is enforced by the state. The virtuous man will be concerned that the state be imbued with the proper administration of justice because this has a strong bearing on the life of virtue of individual citizens.

High principles of justice universally prevailing in a nation are of great importance to the general happiness; not to mention the inward satisfactions attending the disposition, it creates universal ease and security, as it ensures to each one all his valuable rights and enjoyments, and gives the greatest encouragement to industry, by ensuring to each one the fruits of his labours. Whereas a prevalent injustice in the dispositions of a people has all the contrary miserable effects of animosities, wrath, fear, suspicion, and ruin, or grievous distresses to families; and as traders must charge on their goods higher prices on account of all the ordinary losses of trade, by bad debts, by delays of payment, and the expensive suits they are forced to for obtaining it, the goods of such a nation must come higher on these accounts to all markets, and be sold dearer at home, and thus the innocent suffer for the guilty: and foreigners who have greater regards to justice, are enabled to undersell and engross the trade.⁵²

Justice in the state consists of ensuring each one's valuable rights and enjoyments and ensuring to each one the fruit of his labors. If these things are not done the people will be generally wrathful. The problem of obtaining the necessary goods to satisfy legitimate desires will be made more difficult if thievery and fraud

⁵²Ibid., II, 321.

are not prevented. Real incomes would be lowered as higher costs of doing business are passed along to the citizenry. Some industries may be forced to cease operation by foreign competition. Many citizens now must return to less productive endeavors to obtain life's necessary goods, and the good life retreats further and further from view. Such are the effects of injustice in the state.

Hutcheson's treatment of justice is somewhat similar to that of Plato who says in The Republic that justice is "keeping to what belongs to one and doing one's own job."⁵³ Hutcheson's discussion of the economic consequences of injustice is more extensive than Plato's. We might enquire as to what is the real difference between Hutcheson and the classical writers. Seemingly, there is not much. Both acknowledge fortune's power in attaining goods, and both acknowledge the function of goods in the good life.

One difference between Hutcheson and the writers of classical antiquity lies in Hutcheson's treatment of technological development as part of the life of virtue. Also Hutcheson's detailed treatment of the economic effects of injustice may indicate a larger concern with economic analysis than the classics exhibited. Although many of Hutcheson's points about the life of virtue are similar to those of older thinkers, his moral sense doctrine places him as a mediator between ancients and moderns. We shall see that the moral sense doctrine has influenced the direction of economic thought through the influence of Hutcheson on Adam Smith.

⁵³Plato, The Republic, 433-434.

Natural Rights

Hutcheson has an idea of the best regime, and it is one that allows man's natural rights to flourish fully. The rights of man are ultimately legitimated by the moral sense. Man is capable of such knowledge from his very nature; "From this Sense too we derive our Ideas of Rights."⁵⁴

Man has natural rights because of the type of being that he is-- a being with a moral sense and natural appetites.

The private rights of individuals are pointed out by their senses and natural appetites, recommending and pursuing such things as tend to their happiness: and our moral faculty or conscience shews us, that each one should be allowed full liberty to procure what may be for his own innocent advantage or pleasure, nay that we should maintain and defend it to him.

To discover therefore these private rights we should first attend to the several natural principles or appetites in men, and then turn our views toward the general interests of society, and of all around them: that where we find no obstruction to the happiness of others, or to the common good, thence ensuing we should deem it the right of each individual to do, possess, or demand and obtain from others, whatever may tend to his own innocent advantage or pleasure.

Private rights are either natural or adventitious. The former sort, nature itself has given to each one, without any human grant or institution. The adventitious depend upon some human deed or institution.⁵⁵

A natural right exists for men to pursue their own innocent advantages or pleasures where no obstruction to the happiness of others ensues. The moral sense can harmonize natural rights and the happiness of others.

⁵⁴Hutcheson, Inquiry, p. 256.

⁵⁵Hutcheson, Short Introduction, p. 141.

Perfect rights refer to those which cannot be taken away (at least under normal circumstances). The perfect, natural rights of mankind are:

1. A right to life, and to retain their bodies un-maimed.
2. A right to preserve their chastity.
3. A right to an unblemished (sic) character for common honesty, so as not to be deemed unfit for human society.
4. A right of liberty, or of acting according to one's own judgment and inclination within the bounds of the law of nature.
5. A right over life, so far that each one, as any honourable services to society or his friends, may expose himself not only to dangers, but to certain death, when such public good is an view as overballances the value of his life. This our conscience, or moral sense, and love of virtue will strongly recommend to us in many cases.
7. (sic) There's also a sense deeply infixed by nature, of each one's right of private judgment, or of judging for himself in all matters of duty, especially as to religion; . . .⁵⁶

These rights though perfect may be taken away under special circumstances. For instance, society might violate the liberty of a felon if that procures a more universal happiness in the state. It is a difficult matter to state rules of social behavior that are absolutely immutable: ". . . we must not imagine that all the special precepts of the law of nature are thus immutable as they are commonly enunciated universally . . . some singular cases may happen in which departing from the ordinary rule may be more for the general interest than following it . . ."⁵⁷

⁵⁶Hutcheson, Short Introduction, pp. 141-142.

⁵⁷Hutcheson, System, I, 272.

Among the rights of man, Hutcheson burned with a warm heat to extend a love of liberty and religious toleration among his students.⁵⁸ There is no reason why these should not be extended. Since the moral sense exists in men and is generally operable, there is no reason to expect that freedom will be generally abused. The limit to freedom of action occurs when an act stands in opposition to the higher happiness of society. These limits are evident to us.

. . . it is for the good of the system that every desire and sense natural to us, even those of the lowest kinds, should be gratified as far as their gratification is consistent with the nobler enjoyments, and in a just subordination to them; there seems a natural notion of right to attend them all. We think we have a right to gratify them, as soon as we form moral notions, until we discover some opposition between these lower ones, and some principle we naturally feel to be superior to them. This very sense of right seems the foundation of that sense of liberty, that claim we all naturally insist upon to act according to our own inclination in gratifying any desire, until we see the inconsistency of its gratification with some superior principles . . . We condemn the man who should by violence, without the just cause, obstruct the enjoyments of a third person with whom we are not concerned.⁵⁹

Religious toleration demands our approbation because sanctions and penalties enforced against persons holding certain beliefs or opinions can hardly ever change those beliefs, although they may

⁵⁸"As he had occasion every year in the course of his lectures to explain the origin of government, and compare the different forms of it, he took peculiar care, while on that subject, to inculcate the importance of civil and religious liberty to the happiness of mankind: as a warm love of liberty, and manly zeal for promoting it, were ruling principles in his own breast." Ibid., I, xxxv.

⁵⁹Ibid., I, 254-255.

change outward professions of belief.⁶⁰ The danger of religious bigotry is that it leads to pride and vanity in the infallibility of the bigot's understanding. Possession of absolute truth frequently leads to intolerance of untruth, and intolerance may lead to such excesses as the torture and burning of heretics.⁶¹ If this occurs, then the violation of a man's natural right to his opinion has led to the violation of the natural right of life and liberty. Religious intolerance may lead to multiplied injustice, and the good regime must prevent such a situation from occurring.⁶² The conduct approved in religious matters is unprejudiced inquiry and a good dose of humility to prevent the growth of pride and vanity.

Religious tolerance like other natural rights is not without its exceptions. Hutcheson explains several cases in which the state may

⁶⁰Hutcheson, Passions and Affections, p. 33.

⁶¹"We all know the notions entertained by the vulgar concerning all hereticks; we know the pride of schoolmen and many ecclesiasticks; how it galls their insolent vanity that any man should assume to himself to be wiser than they in tenets of religion by differing from them. When this insolent pride is long indulged by the enjoyment of power and popular veneration, it grows prodigious; and, it may explain how such men, and their implicate votaries, can behold with joy the most horrid tortures of men truly innocent, but dressed up in all the forms of impiety, and wickedness." Hutcheson, System I, 167.

⁶²Hutcheson may have more keenly felt the need for religious toleration than others. He was definitely a theological liberal tending toward Deism. Hutcheson was prosecuted unsuccessfully for heresy by the Presbytery of Glasgow for "teaching to his students in contravention to the Westminster Confession the following two false and dangerous doctrines, 1st that the standard of moral goodness was the promotion of the happiness of others; and 2nd that we could have a knowledge of good and evil, without, and prior to a knowledge of God." John Rae, Life of Adam Smith (London, 1895), p. 13.

deny toleration. The state may repress expressions of direct atheism, or the denial of moral providence, or the denial of the obligations of moral or social virtues. This repression is particularly necessary if such tenets lead to violation of rights or invasion of property of others, for these actions would ". . . tend to hurt the state in its most important interests: . . ." However, since persecution by the state often leads to martyrdom and sympathy for the persecuted, it may be well to extend freedom of speech and toleration to include expressions of impiety. ". . . some have looked upon it as a piece of prudence in magistrates, where there is no manifest danger of the spreading of such opinions, to let them alone to the common sense of mankind to be confuted and despised: . . ." ⁶³

Judgments of this type must be made in view of prevailing circumstances and the greatest happiness of the greatest number of members of the body politic. ⁶⁴

In addition to rights of liberty and opinion, perfect rights exist to the fruits of one's labor and to demand the performance of contracts. Property rights are perfect rights because it has been

⁶³ Hutcheson, System, II, 313-314.

⁶⁴ "We form our general rule or precept from what we see tends to good in all ordinary cases. But should we see that in some rarer cases a different conduct would in the whole of its effects do greater good than the following the ordinary rule in these cases also, we then have as good a law of nature preceptive or permissive to recede from the ordinary rule in those rarer cases, as we have to follow it in ordinary cases. These exceptions are parts of the law, as well as the general rule." Ibid., II, 120.

found that a guarantee of property makes labor agreeable to the citizenry and encourages them in industrious activity which is good for society as a whole.

Whatever institution therefore shall be found necessary to promote universal diligence and patience, and make labour agreeable or eligible to mankind, must also tend to the publick good; and institutions or practices which discourage industry must be pernicious to mankind. Now nothing can so effectually excite men to constant patience and diligence in all sorts of useful industry, as the hopes of future wealth, ease, and pleasure to themselves, their offspring, and all who are dear to them, . . . All these hopes are presented to men by securing to every one the fruits of his own labours . . .⁶⁵

The perfect right of demanding performance of a contract stems from the simple necessities of commercial life. ". . . from the necessity of commerce, it must appear, that the rights founded on contracts are of the perfect sort, to be pursued even by force."⁶⁶ The place of prudence among the virtues has been acknowledged. If contracts are not enforced, the procuring of necessary goods by the prudent man will become much more difficult, and the complete life of virtue will become more remote. Even if a man makes a foolish contract, he may be forced to fulfill it because the allowing of violation of contracts may be more pernicious to society than one man's misery. "But the allowing men to recede from all imprudent contracts would be of far greater detriment, as it would obstruct all commerce, or occasion innumerable inextricable debates."⁶⁷

⁶⁵Ibid., I, 320-321.

⁶⁶Hutcheson, Short Introduction, p. 178.

⁶⁷Hutcheson, System II, 4.

In explicit contradiction of Hobbes, Hutcheson expounds the rights of children to life and liberty. Hobbes maintained that children were simply goods or chattels due to the mother's property right in her own body and the father's possession of all the rights of the mother. Hutcheson holds that it is God who ordains procreation and God who directly forms the principal part of every man, the soul.⁶⁸ If any property rights exist over children, the property rights belong to God, not man. The children of slaves are born free for this very reason.⁶⁹ God is the legitimation of liberty in this case, and the cause of liberty itself may require occasional repression of atheism.⁷⁰

Hutcheson classifies another group of rights as imperfect rights. Imperfect rights cannot call for the use of violence in obtaining them. Violation of imperfect rights men of no previous good.⁷¹ The right of the poor to charity is an imperfect right. Hutcheson realizes quite well that men cannot pursue the

⁶⁸Ibid., II, 191.

⁶⁹Ibid., II, 210.

⁷⁰Hutcheson is more liberal than Locke on the repression of atheism. Hutcheson was willing to grant toleration to atheists if at times it seemed prudent to do so. Locke states that atheism must not be allowed at all. "Lastly, those are not at all to be tolerated who deny the being of a God. Promises, covenants, and oaths, which are the bonds of human society, can have no hold upon an atheist. The taking away of God, though but even in thought, dissolves all; . . ." John Locke, A Letter Concerning Toleration, in The Works of John Locke, VI (London, 1823), 47.

⁷¹Hutcheson, Inquiry, p. 258.

good life until the bare necessities of life are met. But this should not prove too great a problem because: "The world is so well provided for the support of Mankind, that scarce any Person in good health need be straightened in bare Necessaries."⁷² Charity is a duty of the virtuous life, but like other actions the act of charity requires prudent judgement.

Several prudent cautions and general rules are delivered about liberality. First, that it be not hurtful to the morals of the object, under a false shew of advantage, by encouraging them in sloth, meanness of temper, or any vicious dispositions; and again, that it be not so immoderate as to exhaust its own fountain, . . .⁷³

Violation of imperfect rights would not cause universal misery as would be the case if perfect rights were violated. The man who violates imperfect rights of others simply betrays excessive self-love, but his actions are not positively evil as is the case when perfect rights are violated.⁷⁴ In addition to the distinction between perfect and imperfect rights, Hutcheson classes rights as either alienable or unalienable. Some rights can be given away, some cannot.

Our rights are either alienable or unalienable. The former are known by these two characteristics jointly; that the translation of them to others can be made effectually, and that some interest of society, or individuals consistently with it, may frequently require such translations. Thus our right to our goods

⁷²Hutcheson, Collection, p. 372.

⁷³Hutcheson, System I, 306.

⁷⁴Hutcheson, Inquiry, pp. 258-259.

and labours is naturally alienable. But where either the translation cannot be made with any effect or where no good in human life requires it, the right is unalienable, and cannot be justly claimed by any other but the person originally possessing it.⁷⁵

Finally, the apprehension of natural rights by the moral sense leads to the knowledge of the equality of mankind. Natural rights belong equally to all men.⁷⁶ If they are denied, anger and unhappiness result. The moral sense instructs us to pursue the greatest happiness of mankind. Therefore, we will be vitally interested in the type of polity which can most effectually act as guarantor of these natural rights.

In addition to natural rights, there are certain duties that are incumbent on the citizenry. The first is to promote the common interest as vigorously as possible while fulfilling our duties toward the less extensive groups in society with which more intimate

⁷⁵Ibid., p. 261. If this discussion of unalienable rights and of perfect rights to life and liberty sounds very much like Thomas Jefferson in the Declaration of Independence, this may be more than coincidence. One of Jefferson's favourite professors at William and Mary was William Small, a Scotsman who graduated M.A. from Aberdeen in 1755. David Fordyce who was well steeped in the works of Shaftesbury, Molesworth, and Hutcheson taught at Aberdeen but left in 1750 for a tour on the Continent. Small may not have studied under Fordyce, but it seems likely that Fordyce's ideas would still be under discussion at Aberdeen by the time of Small's matriculation. Herbert L. Gantner, "William Small, Jefferson's Beloved Teacher" William and Mary Quarterly, IV (October, 1947), 505-506. Dictionary of National Biography, 1950. VII, 432.

Even if this connection did not occur, in 1765 Jefferson recommended An Introduction to Moral Philosophy as proper reading material in Ethics for a law student. Roy J. Honeywell, The Educational Work of Thomas Jefferson (Cambridge, Massachusetts: 1931), pp. 217-218.

⁷⁶Hutcheson, System, p. 299.

association is made.⁷⁷ The second is to fulfill the duties which our job in society requires of us, whether we are artisan, merchant, farmer, or philosopher.⁷⁸ Next, since education is vitally important to the complete functioning of the moral sense, parents have a duty to provide children with the necessary education.⁷⁹ Finally, if the state is wisely administered, the citizens will realize that much good accrues to them from the polity itself and from the laws. There exists a duty for each citizen to obey the laws, work toward further improvement in the state, and if necessary hazard his life for its preservation.⁸⁰

Summary

Hutcheson's views on the good for men can be summarized. Reason itself cannot be used to know the good, but an internal faculty of man, the moral sense, can be used for this purpose. The moral sense apprehends an objective standard of good which is gratification of the highest pleasures. The highest pleasures are love to God and the practice of benevolence toward fellow men. The life of benevolence is synonymous with the life of virtue which consists of justice,

⁷⁷Hutcheson, Short Introduction, p. 81.

⁷⁸"As our reason and moral faculty shew us our station and its duties, the same power must shew us when we are recalled, what the duties of life are, when it is to be exposed even to the greatest dangers; . . ." Hutcheson, System I, 297-298.

⁷⁹Ibid., II, 150.

⁸⁰Ibid., II, 372-376.

temperance, fortitude, and prudence. Justice for Hutcheson consists of the maintenance of property rights and everyone performing his job. For those who are able justice also requires charity, involvement in wise statecraft, and technological improvement.

Hutcheson's treatment of justice includes a somewhat more detailed account of economic activity than that given by the ancients.

Finally, the good life requires the guarantee of certain perfect rights of man such as life, liberty, and freedom of opinion. These rights are directly apprehended by the moral sense.

What does all this have to do with the development of economic thought? The moral sense doctrine makes man a self-sufficient moral entity.

Although education plays a role in removing moral confusions, it is each man's internal moral sense that gives him the idea of good. The moral sense directs men's actions.

"It remains then, 'That as the Author of Nature has determin'd us to receive, by our external Senses, pleasant or disagreeable Ideas of Objects . . . so he has given us a Moral Sense to direct our Actions, . . ."⁸¹ We shall see that the idea of man's moral self-sufficiency plays an important part in the development of laissez-faire economics.

⁸¹Hutcheson, Inquiry, pp. 123-124.

The virtue of justice demands that those with wealth and leisure develop means for more efficient production. This is very different from the conception of leisure held by Plato and Aristotle; leisure was necessary for contemplation and study of the nature of eternal reality or the good.⁸² Leisure is a means for achieving happiness through the life of intellectual activity which is pursued for no other reason than its own sake. Concerning leisure and happiness Aristotle makes the following statement:

But leisure of itself gives pleasure and happiness and enjoyment of life, which are experienced, not by the busy man, but by those who have leisure. For he who is occupied has in view some end which he has not attained; but happiness is an end, since all men deem it to be accompanied with pleasure and not with pain. This pleasure, however, is regarded differently by different persons, and varies according to the habit of individuals; the pleasure of the best man is the best, and springs from the noblest sources. It is clear then that there are branches of learning and education which we must study merely with a view to leisure spent in intellectual activity, and these are to be valued for their own sake; whereas those kinds of knowledge which are useful in business are to be deemed necessary, and exist for the sake of other things.⁸³

Aristotle states that leisure makes intellectual activity possible which leads to the happiness of contemplation. Hutcheson states that leisure may lead to intellectual activity, but service to mankind (perhaps through technological invention) should be the end of

⁸²For an excellent study of this topic see: John C. Eckalbar, "Work and Leisure in the Philosophy of Plato and Aristotle," (unpublished Master's thesis, Louisiana State University, 1972).

⁸³Aristotle, Politica, 1338a 1-13.

such intellectual activity.⁸⁴ The life of contemplation of the good is not emphasized by Hutcheson. However, the life of business and action in service to mankind is given emphasis. Since the moral sense can apprehend the good quickly,⁸⁵ contemplative activity has less importance.

We know that wise statecraft constitutes a legitimate use of leisure; certainly the study of political economy would come under the rubric of wise statecraft. It would seem that political economy could become a legitimate study in its own right as an important part of the life of virtue. In 1776, thirty years after Hutcheson's death, Adam Smith presented a brilliant example of such a study. We turn now to an exposition of Hutcheson's ideas on statecraft and political economy.

⁸⁴"Men of wealth sufficient for themselves and their families, are not perhaps obliged to any lucrative professions; but they are rather more than others obliged to an active life in some service to mankind." Hutcheson, System II, 113.

⁸⁵See above, p. 68.

HUTCHESON'S POLITICS AND ECONOMICS

Hutcheson has presented us with a picture of the good life for man. There exists a form of polity that is most conducive to the good life. In addition to dealing with specifics of state organization, Hutcheson felt compelled to discuss the origin of the state and the social contract. In the manner of other natural right thinkers, the state of nature is discussed in order to show man's nature as it truly is, before any civilizing forces have influenced him. The discussion is continued in order to show how the state develops out of the very nature of man.

Politics

Hutcheson is flatly opposed to Hobbes' war of all against all as the description of the state of nature. Men are disposed toward benevolence even in primitive conditions because of the operation of the moral faculty.¹ This is not to say that violence and wars may not occur. Men's moral sense may be obscured at times by confusion and superstition. However, violence is not the rule in the state of nature, but an exception to the rule.

'Tis true that in this state of liberty where there are no civill laws with a visible power to execute their

¹" . . . the state of nature is that of peace and good-will, of innocence and beneficence, and not of violence, war, and rapine: as both the immediate sense of duty in our hearts, and the rational considerations of interest must suggest to us." Hutcheson, Short Introduction, pp. 139-140.

sanctions, men will often do injurious actions contrary to the laws of their nature; and the resentments of the sufferers will produce wars and violence. But this proves nothing as to the true nature of that state, since all the laws and obligations of that state enjoin peace and justice and beneficence. In civil societies many disobey the law, by theft and violence, but we do not thence conclude that a political state is a state of war among men thus united.²

Violence can originate among the depraved in a state of nature or in civil society. Violence may legitimately be used to stymie the perpetrators of violence. If a perfect right of an individual is violated in the state of nature this constitutes a just cause of war. If this were not true, then there could be no security of rights against a small, depraved minority of men. However, there exist bounds beyond which violence should not continue. If the transgressor desists from injury either voluntarily or under compulsion and offers compensation for damages and security for the future, then violence should end.³

Regardless of his statements about the tranquility of the state of nature, Hutcheson discusses the role of violence in the formation of civil society. First men may require prodding by an authority to encourage them to exercise their right and duty of violence against criminals. Men, because of fear, might be inclined to let their actions tend to be ineffective.

For altho' men were not generally so depraved, and that even humanity and conscience restrained the generality

²Hutcheson, System I, 281.

³Hutcheson, Short Introduction, pp. 234-236.

from injuries, and inclined them to give aid to any who happened to be wronged: yet multitudes would omit this duty through fear and cowardice, if it exposed themselves to danger. Nay further; a sufficient number of honest brave men, if they were not directed by some head, and that united in their efforts, would run into the most different measures, according to their different sentiments; and when thus disjointed would become a prey even to a smaller number of less bravery, who were united in their counsels.⁴

It seems that we have arrived at a potential state of war as the basis for the state. This is at least part of Hutcheson's theory of the state, but there is some difference between this theory and Hobbes' war of all against all. In Hutcheson's state of nature, violence is originally perpetrated by a relatively small number of men, but if these are not quickly subdued, fear and violence may become widespread and ruin an otherwise tranquil situation. For this reason men may form combinations and agree on leadership and a plan of action to preserve their perfect rights.

Hobbes makes no intimation that the majority of men posit moral ends for themselves and are pushed into the use of force by a depraved minority. All men simply posit arbitrary ends for themselves and seek to pursue them. All men seek to preserve their lives, and there is no particular expectation that violence will be under the constraint of a moral sense. Any engine of destruction, and genocide, or pogrom may be expected and is legitimated in the preservation of life.

⁴Ibid., p. 231.

. . . the condition of Man, . . . is a condition of Warre of every one against every one; in which case every one is governed by his own Reason; and there is nothing he can make use of, that may not be a help unto him, in preserving his life against his enemyes; It followeth, that in such a condition, every man has a Right to every thing; even to one anothers body.⁵

This is precisely the view of man which Hutcheson opposes. In the state of nature a great majority of men do not feel that they have a right to everything because the moral sense apprehends moral ends for these men. Therefore, under a regime of freedom, we can expect decent conduct from most individuals. It is only a small minority of depraved men, who are present in the state of nature and civil society, that must be repressed. There is no need for a thoroughgoing leviathan state to ensure peace. Most men can live in harmony without authoritarian control. Certainly, Hutcheson's judgment about the behavior of men plays an important part in his support of liberal forms of polity. Also, Hutcheson's support of a regime of freedom rests on an empirical method which consists of introspection, appeal to history, and observation of men.

Fear of violence and loss of perfect rights is not the whole story of the origin of society. Men desire an association with fellow-men for a variety of reasons.

One can scarce deny to mankind a natural impulse to society with their fellows, as an immediate principle, when we see the like in many species of animals; nor should we ascribe all associating to their indigence. Their other

⁵Hobbes, Leviathan, 64.

principles, their curiosity, communicativeness, desire of action; their sense of honour, their compassion, benevolence, gaiety, and the moral faculty, could have little or no exercise in solitude, and therefore might lead them to haunt together, even without an immediate or ultimate impulse, or a sense of their indigence.⁶

Although it is possible that the need for protection of perfect rights spurred the formation of the state, it is equally possible that the state was formed due to man's need for companionship and communication, and his search for that good life beyond mere survival. In any case when society is formed a social contract is struck with three specific parts to it.

To constitute a state or civil polity in a regular manner these three deeds are necessary: first a contract of each one with all, that they shall unite into one society to be governed by one counsel. And next a decree or ordinance of the people, concerning the plan of government, and the nomination of the governors; and lastly another covenant or contract between these governors and the people, binding the rulers to a faithful administration of their trust, and the people to obedience.⁷

Hutcheson held that there was no divine right given to any man or group to rule. Even superior wisdom cannot always be a legitimate criterion for rulers, because this trait may on occasion be feigned by unscrupulous men in order to gain power.⁸ This is not to say that

⁶Hutcheson, System I, 34-35.

⁷Hutcheson, Short Introduction, p. 286.

⁸"But as no man can give such evidence as shall satisfy his fellows of his superior goodness and wisdom, and remove suspicions of his weakness and interested views; as there is no acknowledged criterion of superior wisdom for governing; and multitudes at once would pretend to it; as there is no assurance can be given of good intentions, to which the worst might by hypocritical services pretend; and as a people cannot be happy while their interests precariously

men of wisdom should not be entrusted with the civil power; we simply must exercise caution in selecting our rulers and in drawing up the plan of government and means of selecting the governors. The wisdom of Hutcheson's governors seems to contain a large element of scientific or technological brilliance.

But there's something in our nature which more immediately recommends civil power to us. Some of our species are manifestly superior in wisdom to the vulgar, as the vulgar are often sensible. These of superior sagacity, as all must own, are capable of contriving and inventing many ⁹promot^gs of consequence to the common utility of multitudes, with⁹ of pointing out more effectual methods for each one to promote his own interest, if their directions are complied with.⁹

It has been shown that Hutcheson was very concerned with technological improvement and thought that this task was particularly incumbent on the wealthy; however, it is not clear from this passage what sort of directions Hutcheson expected from this group of wise citizens. Perhaps, these directions are simply technological suggestions rather than a thoroughgoing direction of the economy by experts. It would seem ironic if Hutcheson who had posited man's self-sufficiency in the moral realm as the basis for liberty hedged against more radical extension of liberty in the economic realm due

depend on persons of suspected goodness or wisdom; these qualities cannot be among men, the natural foundations of power; nor can it serve the general interest that they should be deemed sufficient to constitute such a right of governing, or of compelling others to obedience. Some extraordinary cases may be excepted." Hutcheson, System I, 267.

⁹Hutcheson, Short Introduction, p. 280.

to man's insufficiency. Adam Smith attacks this very point of the economic insufficiency of man so powerfully in the Wealth of Nations, while holding onto the idea of man's moral self-sufficiency. It is possible that Hutcheson, like Smith, saw the need for a council of experts for imposing the optimum tariff on foreign goods.¹⁰

The main point here is that the wisdom necessary for governing is the wisdom of securing prosperity. "But in all governments, even the most absolute, the natural end of the trust is acknowledged on all sides to be the prosperity and safety of the whole body."¹¹ As has been shown above, the wisdom necessary for living the life of virtue is found in all men to a greater or lesser degree; and the state does not have to work as hard in guiding men toward the virtuous life as conceived by the earlier natural law thinkers. The virtue that should be exercised through the state is the virtue of prudence. This change of viewpoint concerning the nature of political wisdom is reflected in the overriding concern of modern governments with economic affairs.

¹⁰Hutcheson seems to be concerned with the employment aspect of tariffs and subsidies. "Foreign materials should be imported and even premiums given, when necessary, that all our own hands may be employed; and that, by exporting them again manufactured, we may obtain from abroad the price of our labours. Foreign manufactures and products ready for consumption, should be made dear to the consumer by high duties, if we cannot altogether prohibit the consumption; . . ." Hutcheson, System II, 319. Smith discusses the relationship between tariffs and employment, but the politicians must also judge the propriety of retaliatory tariffs which are proper if they secure a reduction in foreign tariffs. Adam Smith, The Wealth of Nations, ed. by Edwin Cannan, (New York, 1937), p. 435.

¹¹Hutcheson, System II, 271.

Hutcheson has definite ideas on the proper form of government for securing peace and prosperity. One foundation of good government derives from the social contract itself; that is the principle of consent and the right of resistance. If men see the government fallen into bad hands, they cannot be made happy by being bludgeoned into submission. The greatest happiness of the greatest number of citizens is what government should be about, and the right of resistance acts as an ultimate sanction against violation of this principle. Although those with superior political wisdom are most fit to rule, they have only an imperfect right to rule because it is possible for evil men to pretend possession of political wisdom in order to gain power. There exists no right to rule without consent.¹² The principle of consent and the right of resistance are not to be feared as the causes of continual unrest and violence as Hobbes would hold. In fact these principles are the only ones upon which a regime of peace can be built. Civil war and rebellion are much more likely to occur in polities where unlimited power is in the hands of the governors. "There is no hope of making a peaceful world or country, by means of such tenets as the unlimited powers of governors, and the unlawfulness of all resistance."¹³

¹²Ibid., I, 300-301.

¹³In fact the principle of consent may become a very conservative principle. "And where the just rights of mankind are asserted and generally believed, yet there is such a general love of ease, such proneness to esteem any tolerable governors, such a fondness for antient customs and laws, and abhorrence of what is contrary to them; such fear of dangers from any convulsions of state, and such

A prudent point in constitution making is to devise an institutional framework which will minimize damage to the state when power falls into bad hands. Certainly, it is evident that no system of government is perfect, and the possibility of evil men gaining power must be taken into account by the laws.¹⁴ However, no form of government is absolutely the best. There is no particular ancient polity or divine revelation that can answer all questions about government. Men must use what wisdom they have to draw up and agree upon the best regime.

God has not by any revelation determined the forms of government, the quantity of power to be committed, or the manner of succession, nor has he named the governors of any nations now in the world. His law requires that government should be settled; as it requires all other means of publick good. But the form of polity, and the degrees of power to be committed, are left to human prudence.¹⁵

After the proper form of government has been agreed upon, the rights and duties proper to the state derive from the greatest happiness principle. The state has a right to demand military service from the citizenry, just as citizens have a duty to support a good polity;¹⁶ that is one which is effectual in producing happiness.

advantages enjoyed or hoped for under the present administration, that it is seldom practicable to accomplish any changes, or to get sufficient numbers to concur in any violent efforts for that purpose, against a government established by long custom and law, even where there is just ground given for them." Ibid., II, 279-280.

¹⁴Ibid., II, 252.

¹⁵Ibid., II, 269.

¹⁶Ibid., II, 372.

The state has the right to punish criminals. "The noblest spring of punishment is extensive goodness, or a regard to the safety and happiness of the community."¹⁷ Based on the greatest happiness principle the state should also perform the following actions; demand divulgence of inventions useful to man, compel the able-bodied to labor, prevent suicide and abortion because of the potential usefulness of persons to society, and allow emigration from the body politic to those who wish to do so.¹⁸

Property rights also come under the sway of the greatest happiness principle. We know that men must be guaranteed the fruits of their own labors in order to prevent anger and rebellion. They may be allowed to store up goods far in excess of their needs strictly for purposes of barter and encouragement of commerce.¹⁹ However, some limits may be placed on accumulation of land if it seems that one man is unduly restricting the means of subsistence of many others.

One head of a family, by his first arriving with his domesticks upon a vast island capable of supporting a thousand families, must not pretend to property in

¹⁷Ibid., II, 97.

¹⁸Ibid., II, 105-109. On the justice of allowing emigration Hutcheson says; "But when a state is in no present danger, it seems contrary to humanity and justice to make it a trap to its subjects, so as not to allow them, upon any rational prospect of advantage to themselves, to leave it, and unite themselves to any other body politick, provided that they sell their lands to some remaining subject, and make compensation for any advantages they derived from the state at its expence." Ibid., II, 230.

¹⁹Hutcheson, Short Introduction, p. 158. John Locke held that money was the proper medium of accumulation, not goods. See above, pp. 50-51.

the whole. He may acquire as much as there's any probability he can cultivate, but what is beyond this remains common. Nor can any state, on account of its fleets first arriving on a vast continent, capable of holding several empires, and which its colonies can never sufficiently occupy, claim to itself the dominion of the whole continent.²⁰

The ownership of property might need to be zealously defended and preserved or, on occasion, expropriated. This depends on which course of action is most conducive to the happiness of the community. Political power derives, to some extent, from the ownership of property. If property and political power are exclusively in wicked hands then, perhaps, expropriation is needed. If property ownership coincides with good polity, preservation of ownership is called for.²¹

We recall that the moral sense directs us toward the most universal happiness possible. The state should also be guided by this principle. When a good form of polity is developed, the state should not be averse to imposing such a polity by force on a stupid and prejudiced people. This is an exception to the right of consent, but it is done with the knowledge that the happiness of the world is being

²⁰Ibid., p. 156.

²¹"A Democracy cannot remain stable unless the property be so diffused among the people that no such cabal of a few as could probably unite in any design, shall have a fund of wealth sufficient to support a force superior to that of the rest . . . when power has its natural foundation of property it will be lasting, but may, in some forms, be very pernicious and oppressive to the whole body of the people; and it must be the more pernicious that it will be very permanent, there being no sufficient force to overturn or controul it. And this shews the great care requisite in settling a just plan, and a suitable division of property, and in taking precautions against any such change in property as may destroy a good plan: this should be the view of Agrarian laws." Hutcheson, System II, 247.

increased, and that consent will be granted by the indigenous people after a short trial with the new form of government.²² This is not to say that colonists have no right of resistance. They have such a right when the mother country acts in such a way that the happiness of the colonists is subordinated to the interests of the mother country; or when mild, limited government becomes arbitrary and absolute.²³

In A System of Moral Philosophy, Hutcheson gives a good summation of what all legislation should attempt to accomplish:

As the end of all laws should be the general good and happiness of a people, which chiefly depends on their virtue; it must be the business of legislation to promote, by all just and effectual methods, true principles of virtue, such as shall lead men to piety to God, and all just, peaceable, and kind dispositions toward their fellows; that they may be inclined to every good office, and faithful in every trust committed to them in their several stations.²⁴

It has been shown above that the virtuous life contains important economic elements, particularly the virtues of prudence and justice. We turn now to a more complete discussion of Hutcheson's views on economic life.

Economics

Hutcheson held that the comparative wealth of a nation consisted of the quantity of goods which could be exported. This does not seem to be the mercantilist view which identifies wealth with gold as such.

²²Ibid., II, 231.

²³Ibid., II, 307-309.

²⁴Ibid., II, 310.

The quantity of goods which can be exported are the goods which are produced in excess of subsistence needs, and foreign trade supports employment, populousness, and the good of the whole.²⁵

In addition to concern over the wealth of a nation, Hutcheson was concerned with the distribution of wealth in society, because this determined to some extent what type of polity could exist. We know that on occasion the state might be justified in expropriating property, but Hutcheson saw at least the possibility of a society in which republican government could flourish without constant expropriation and appeal to the laws. That society is the liberal economic regime, one in which the right to buy and sell is guaranteed to all, and trading and manufacture is prohibited to none.

Different states may admit of different degrees of wealth without danger. If the agrarian law limits men to too small fortunes; it discourages the industry of the more able hands in trade or manufactures. If it allows too much wealth, some cabal of potent families may enslave the rest. Without any such laws some mixed states are safe, provided the lords can sell their estates, and trade and manufactures flourish among the plebeians; and they have access to the places of greatest profit and power. By these means, without any law, wealth may be sufficiently diffused.²⁶

²⁵"The comparative Wealth of any Country is plainly proportioned to the Quantity of the whole Produce of Husbandry, and other Mechanick Arts which it can export. Upon the Wealth of any Country, when other circumstances are equal, does its Strength depend, or its Power in comparison with others." Hutcheson, Collection, pp. 378-379. "Again, if Navigation and foreign Trade will support more Men than domestick Industry and Barter, it may really tend to the good of the whole, tho it endangers many Lives. Five Millions subsisting in any Country by help of foreign Trade, is a greater Advantage in the whole than four Millions without Trade, tho in each Age twenty Thousand should perish by Shipwrecks." Ibid., p. 380.

²⁶Hutcheson, System II, 259.

It must be clear from this passage that Hutcheson had a vision of the liberal economic world, not a totalitarian one. This vision has on occasion obtained in western economies. Technological advance is pursued by experts, and the freedom to make contracts and to operate a business is guaranteed. Technological advances are incorporated into society if they prove profitable; they are not imposed by fiat.

Although Hutcheson is concerned with the production and distribution of wealth, he cautions men not to become enamored with wealth for its own sake or the pursuit of wealth. The pursuit of wealth may lead to madness and insatiable desire. Great wealth may have an adverse effect on the character, particularly on children of the wealthy. Such traits as humility, industry, and courage may be lost, while insolence, debauchery, and pride become paramount.²⁷ However, for men with the proper frame of mind, the pursuit of wealth can be moderate and a matter of no great disappointment when failure occurs. These men of moderate mind understand the usefulness of wealth, but do not attach moral dignity and all happiness to wealth.²⁸ The proper use of wealth is as a fund for good offices and secondarily as a giver of convenience and pleasure.²⁹ Hutcheson states that: ". . . Virtue is the chief Happiness in the universal judgment of Mankind."³⁰ Wealth is only a means for more widespread performance of good offices

²⁷Hutcheson, Passions and Affections, pp. 193-194.

²⁸Hutcheson, System I, 112.

²⁹Ibid., I, 109.

³⁰Hutcheson, Inquiry, p. 228.

which are a requirement of justice, and justice is a part of the life of virtue.

The pursuit of wealth need not be merely a self-interested affair or a means toward happiness narrowly defined in economic terms: "How weak also are the Reasonings of some Recluse Moralists, who condemn in general all Pursuits of Wealth or Power, as below a perfectly virtuous Character: since Wealth or Power are as naturally fit to gratify our Publick Desires, or to serve virtuous Purposes, as the selfish ones?"³¹ Virtuous purposes are known by the moral sense. In Hutcheson's economic world of technological advance, freedom of contract, and pursuit of wealth, if virtuous purposes are found to be weak, or the moral sense fails, then we must arrive at a world of autonomous utility functions grounded completely on self-love rather than any more extensive affections.

Were there no other ultimate determination or desire in the human soul than that of each one toward his own happiness; then calm self-love would be the sole leading principle, plainly destined by Nature to govern and restrain all other affections, and keep them subservient to its end; having reason for its minister or counsellor, to suggest the means.³²

Self-interest is a principal of human action, but not necessarily a pernicious one or necessarily opposed to the public interest. Self-interested actions can be included under the heading of prudence

³¹Hutcheson, Passions and Affections, p. 9.

³²Hutcheson, System I, 38-39.

which is a virtue. Such actions are necessary in order to satisfy the appetites of man and, as such, are innocent. Self-interest becomes pernicious only when it breaks the bounds of moderation and becomes all-encompassing and seeks ". . . to obstruct the proper degree of the generous affections in the station and circumstances of the agent."³³ Some persons may have no other means by which to live the life of virtue than by pursuing their own interests or the interests of a small group. However, since their place in society limits their opportunities, the good of the whole is being furthered as the good of each individual is promoted.³⁴

Hutcheson discusses the matter of individual self-interest and the public good in two ways. One is that selfish actions lead toward the public good because each individual is part of the whole society. ". . . these selfish affections are aiming at an end necessary to the general good, to wit the good of each individual, . . ."³⁵ The second means by which these two goals are reconciled is the moral sense. Self-love can further the public good when it acts within

³³Ibid., I, 65.

³⁴"The greater part of mankind, by the necessary advocations of life, are incapable of very extensive designs, and want opportunities and abilities for such services. But we have this just presumption, that by serving innocently any valuable part of a system, we do good to the whole. The lives therefore of many of the most virtuous are justly employed in serving such particular persons, or smaller societies, who are more peculiarly recommended to them by the very order of nature." Ibid., I, 243-244.

³⁵Ibid., I, 65.

proper bounds. The moral sense tells us if self-interest and the general good are in conflict and recommends that the most extensive good be pursued.³⁶ The moral sense acts to harmonize human action.

Without a distinct consideration of this moral faculty, a species endued with such a variety of senses, and of desires frequently interfering, must appear a complex confused fabrick, without any order or regular consistent design. By means of it, all is capable of harmony, and all its powers may conspire in one direction, and be consistent with each other.³⁷

In addition to reconciling self-love and the public interest, Hutcheson also addressed himself to the persistent paradox of the age proposed by Mandeville, which is that private vice leads to public benefits. The thesis from The Fable of the Bees that Hutcheson repeatedly attacks is that luxury fosters a high level of consumption and makes possible high levels of employment and vigorous industry.

. . . whilst Luxury
Employed a Million more;
Envy it self, and Vanity,
Were Ministers of Industry;
Their darling Folly, Pickleness,
In Diet, Furniture and Dress,
That strange ridic'ulous Vice, was made
The very Wheel that turn'd the Trade.³⁸

The first argument that Hutcheson presents against Mandeville is that while luxury may cause high levels of consumption in the short

³⁶Hutcheson, Short Introduction, p. 37.

³⁷Hutcheson, System I, 74.

³⁸Bernard Mandeville, The Fable of the Bees, ed. by F. B. Kaye (Oxford, 1924), I, 25.

run, it is bad long run policy. Debauchery leads to sickness and early death, while temperance leads to longer life and larger population in the country which will certainly increase aggregate demand over time.

Any given Number in a small time, will certainly consume more Wine by being Drunkards, than by being sober Men; will consume more manufactures by being luxurious or proud (if their Pride turn upon Expences) than by being frugal and moderate. But it may be justly questioned, whether that same Number would not have consumed more in their whole Lives, by being temperate and frugal: since all allow that they would probably live longer, and with better Health and Digestion: and Temperance makes a Country populous, were it only by prolonging Life.³⁹

Hutcheson suggests that the charity of the rich can do more to increase consumption than can their luxurious expenses. Charity places money in the hands of groups with the highest propensity to consume which, of course, will increase the amount of consumption done by the whole society.⁴⁰

Another point of contention between Hutcheson and Mandeville is over the definition of luxury itself. Mandeville's definition is very extreme as he admits:

³⁹Hutcheson, Collection, pp. 388-389.

⁴⁰"Men of higher fortunes may without any luxury purchase the most ingenious and nice manufactures, as far as their several obligations in life allow it. And if any such deny themselves such expenses, from views of a finer liberality, in raising the condition of indigent friends; they along with their families, kinsmen, and friends thus supported, may make a much greater consumption of the very same products and manufactures, or of others equally deserving encouragement in the state; and thus they with their dependents are more beneficial to artificers." Hutcheson, Short Introduction, pp. 321-322.

If every thing is to be Luxury (as in strictness it ought) that is not immediately necessary to make Man subsist as he is a living Creature, there is nothing else to be found in the World, . . . This Definition every body will say is too rigorous; I am of the same Opinion; but if we are to abate one Inch of this Severity, I am afraid we shan't know where to stop.⁴¹

If Mandeville agrees that this definition of luxury is too rigorous, he, nevertheless, maintains that the greater part of consumption carried on in the world is due to man's pride and vanity. Expensive habitat, fine food, and curious habillements are simply an exercise in vanity. Hutcheson asserts that it is no vice to satisfy desires for more curious goods and services as long as desire is kept within limits. "It is plain there is no necessary vice in consuming of the finest products, or the wearing of the dearest manufactures by persons whose fortunes can allow it consistently with all the duties of life."⁴²

We recall that the duties of life for the rich are furthering technical knowledge, studying and devising wise forms of polity, and charity; they are not to serve merely as reckless consumers.⁴³

⁴¹Mandeville, Fable, p. 107.

⁴²Hutcheson, System II, 320.

⁴³"Nor ought such as are born to estates, who therefor need not for their own support any lucrative profession, think themselves exempted from any such obligation. For it seems more peculiarly incumbent on them, as Providence exempts them from other cares, to contribute to the publick interest, by acquiring a compleat knowledge of the rights of mankind, of laws, and civil polity: or at least such acquaintance with all the common business of mankind, that they may be able either by superiour wisdom, or by their interest and influence, to serve their country or their neighbours; and not be useless loads of the earth, serving only to consume its products." Hutcheson, Short Introduction, p. 98.

Finally, Hutcheson is not willing for one segment of the population to attain baseness of character even if short run employment effects would be favorable.

. . . Luxury, Intemperance, and Pride, tend to consume Manufactures; but the Luxurious, Intemperate, or Proud, are not a whit the less odious, or free from Inhumanity and Barbarity, in the neglect of Families, Friends, the indigent, or their Country, since their whole Intention is a poor selfish Pleasure.⁴⁴

The effects of actions must be viewed not only with respect to their economic consequences but also regarding their effects on the character of the populace. Long run and short run effects must be viewed. Perhaps the vice of one man can benefit others, but to approve such action without many qualifying statements must be foolish policy.⁴⁵ If the vice of one segment of the population benefits

⁴⁴Hutcheson, Collection, p. 387.

⁴⁵It seems that this careful approach to policy (the weighing of economic and moral consequences of actions) is indicative of Hutcheson's essential non-radical character. It remained for Bentham and his disciples to transform the greatest-happiness-for-the-greatest-number rule of thumb into a universal principle to be rigorously applied. This is what characterizes Bentham as being radical. "The innovation of the Radical (Bentham) was to make the greatest happiness of the greatest number dependent upon the greatest power of the greatest number. In his Constitutional Code, Bentham explained that the legislature had to be omniscient because 'any limitation is in contradiction to the greatest happiness principle.' But since the greatest happiness of the greatest number meant, in practice, the greater happiness of the greater number, the omniscience of the legislature meant the omniscience of the majority. One of Bentham's disciples was asked whether the greatest number always had the right to indulge its greatest happiness, whether the twenty-nine out of thirty people who decided to feast upon the thirtieth had the right and the power to do so--to which the disciple, with the impeccable logic of his master, coolly replied, 'Yes.'" Gertrude Himmel-farb, Victorian Minds (New York, 1968), p. 76.

another segment, we cannot say unequivocally that the public has benefitted. In the longer view of things vice will very likely debauch and incapacitate some to the detriment of society.

. . . the greatest part of the Actions which are immediately prejudiced to our selves, and are often look'd upon as innocent toward others, do really tend to the publick Detriment, by making us incapable of performing the good Offices we could otherwise have done, and perhaps would have inclin'd to do: this is the Case of Intemperance and extravagant Luxury.⁴⁶

In his introduction to The Fable of the Bees, F. B. Kaye says concerning Hutcheson's opposition to Mandeville: ". . . and the concepts concerning which he was most aroused were precisely those which underlie laissez-faire--the egoism of man and the advantage to society of this egoism."⁴⁷ This statement seems to imply that Hutcheson in some way was opposed to liberal economics. If laissez-faire means complete absence of government from economic life then Hutcheson did oppose it; it has been shown above that Hutcheson might favor land expropriation by the government if the public good required it. However, Hutcheson did favor a liberal economic polity with government providing a rule of law and enforcement of contracts and a framework in which individual liberty can be extended. Also Hutcheson's vision of the good society might be more conducive to liberal economic polity than Mandeville's. The Fable can be used as an argument for extending liberty in economic life because the very baseness,

⁴⁶Hutcheson, Inquiry, p. 180.

⁴⁷Mandeville, Fable, p. cxli.

pride, and vanity which are so natural to man, are the very engines which promote industry and trade. As we have seen earlier, Hutcheson urged the extension of liberty precisely because vice was not (or need not be with proper educational arrangements) the most outstanding characteristic of man. Freedom would not lead to a vile and debauched society, but good action could be expected from most men. Freedom is beneficial in economic life because in some cases the legitimate pursuit of self-interest leads to the good of the whole society, and where conflict arises between these two the moral sense recommends the action that will benefit the greatest number of mankind.

Mandeville's analysis seems a little too simplistic, and as F. B. Kaye puts it: "His paradox turned, instead, on his definition of virtue . . . Mandeville's definition . . . proclaimed all conduct vicious which was not the result of a complete denial of one's emotional nature--true virtue being unselfish and dispassionate."⁴⁸ With this definition Mandeville could simply proclaim any virtuous action a vice. Now, this so-called foundation of laissez-faire is not designed to convince large numbers of people as to its benefits. On the other hand Hutcheson's vision of the good polity is designed to convince, and his discussions of the benefits of liberty did impress and convince his students at Glasgow. Certainly it would be most flattering to human nature to believe a doctrine which holds

⁴⁸Ibid., pp. xlvii-xlviii.

that virtue can increase as freedom is extended. However, Hutcheson was not one bit cynical in expounding this view. He believed in the operation of the moral sense and that people could be virtuous if given the chance. He possessed "a warm love of liberty, and manly zeal for promoting it," not a cynical love of liberty. It remained for Smith to consider these two views of man and society and to present a comprehensive view of liberal political economy.

In addition to these more extended views of society, Hutcheson had ideas about specific problems of economic life. Like Aristotle and St. Thomas, Hutcheson discussed usury and the just price. The discussion of just price continues to have relevance for modern society with respect to governmental price regulation and ad hoc prohibitions against profiteering in time of natural disaster.

Hutcheson holds that justice in exchange is not a matter of sharp dealing, but the good man will restore all ill-gotten gain from exchange if he apprehends it. However, this conduct is not very common.⁴⁹ In a perfectly traditional manner Hutcheson discusses the justice of equality in exchange,⁵⁰ while recognizing

⁴⁹Hutcheson, System II, 15.

⁵⁰"In the honourable contracts, or these for valuable consideration, the parties profess or undertake to transfer mutually goods or rights of equal value. And therefor honest men should conceal nothing, or give no false representations about the qualities estimable in such goods, or their defects: and when they inadvertently have departed from equality, according to the judgment of a wise arbiter, he who had less value than he gave, should have something further paid him till the contract be brought to equality; and this he has a perfect right to demand; tho' no courts of justice could have time to give redress to every little iniquity in such matters." Hutcheson, Short Introduction, p. 216.

that the usefulness of goods will affect each man's valuation of goods. Ultimately the prices of things must be determined by the forces of demand and supply, and there are more detailed considerations behind these two phenomena.

The ground of all price must be some fitness in the things to yield some use or pleasure in life; without this, they can be of no value. But this being pre-supposed, the prices of things will be in a compound proportion of the demand for them, and the difficulty in acquiring them. The demand will be in proportion to the numbers who are wanting them, or their necessity to life. The difficulty may be occasioned many ways; if the quantities of them in the world be small; if any accidents make the quantity less than ordinary; if much toil is required in producing them, or much ingenuity, or a more elegant genius in the artists; if the persons employed about them according to the custom of the country are men in high account, and live in a more splendid manner; for the expence of this must be defrayed by the higher profits of their labours, and few can be thus maintained.⁵¹

It seems that Hutcheson has incorporated the view of just price commonly associated with scholastic teaching, in which a charge is legitimately levied according to a person's station in society.⁵² If indeed the scholastics did not hold this view, as I have endeavored to show, it is of importance to the history of economic analysis to inquire into the source of Hutcheson's statement. The only discussion of this matter before Hutcheson's time that I can find (omitting Henry of Langenstein, the Elder) is by Samuel Pufendorf who holds that in the case of services rendered: ". . . difficulty enhances their

⁵¹Ibid., p. 209.

⁵²See above, p. 23.

price, as do also skill, utility, necessity, the scarcity or rank or freedom of the agents, and finally even the reputation of the art, as being accounted noble or ignoble."⁵³

Hutcheson was certainly familiar with the works of Pufendorf. Gershom Carmichael, Hutcheson's professor of moral philosophy at Glasgow, had done a commentary on Pufendorf's De Officio Hominis et Civis; and indeed Hutcheson taught from Pufendorf in his moral philosophy class at the beginning of his career at Glasgow;⁵⁴ and footnotes on Pufendorf appear in some of Hutcheson's works.

However, it seems that Pufendorf, Hutcheson, and Adam Smith in discussing this whole matter of a charge being levied according to a

⁵³Samuel von Puffendorf, De Officio Hominis et Civis Juxta Legem Naturalem Libri Duo, translated by Frank Gardner Moore (New York, 1927), p. 71. Pufendorf also makes the following comment: ". . . a tradesman will receive no attention if he tries to place a higher price upon his merchandise because he broke his leg, or became seriously ill while bringing them into the country, or because he lost a part of them by shipwreck or at the hands of thieves; provided, of course, such accidents did not contribute to the scarcity of the wares. Much less will he be heeded if he tries to shift to the purchasers such expenses as he encountered unnecessarily and in opposition to the laws of wise business. But merchants can include in their estimation the time they have spent, the plans they have formed, and the troubles they have met in acquiring, preserving, or distributing their merchandise, as well as all necessary expences for the labour of their servants. And it would surely be inhuman, and likely to destroy the industry of men, to try to allow a man for his business, or any other sort of occupation, no more profit than barely permits him to meet his necessities by frugality and hardships." Samuel Pufendorf, De Jure Naturae et Gentium Libri Octo, translated by C. H. Oldfather and W. A. Oldfather (Oxford, 1934), pp. 687-688.

⁵⁴W. L. Taylor, Francis Hutcheson and David Hume as Predecessors of Adam Smith (Durham, 1965), p. 27.

man's rank in society, are trying to come up with a more accurate explanation of the costs of doing business. Notice Hutcheson's treatment of this matter.

From what we said about the grounds of price, 'tis plain that in estimating the values of goods in any place, we are not only to compute the disbursement made in buying, importing, and keeping them safe, with the interest of money thus employed; but also the pains and care of the merchant; the value of which is to be estimated according to the reputable condition in which such men live, . . . This price of the merchant's labour is the foundation of the ordinary profits of merchants.⁵⁵

The above quotation contains the germ of the idea of implicit wages. Smith refines this concept a little further and makes explicit the concept of normal profit. He suggests that if the price of goods does not allow the merchant ". . . the ordinary rate of profit in his neighbourhood, he is evidently a loser by the trade; . . .," and may very well take up some other trade more in line with his expectation of normal profit.⁵⁶ The valuation of normal profit will depend generally upon traditionally acceptable standards of living associated with the various trades. This discussion of the return due a man because of his position in society is not necessarily a medieval argument for the status quo, but a refinement of economic analysis in more accurately describing costs of production.

⁵⁵Hutcheson, Short Introduction, p. 217.

⁵⁶Adam Smith, Wealth of Nations, p. 55.

Concerning the matter of interest, Hutcheson holds that it is lawful because of the opportunity cost involved in lending money.⁵⁷ He also realizes that expansion of credit leads to increasing employment and output. "Were interest prohibited, none would lend, except in charity; and many industrious hands, who are not objects of charity, would be excluded from large gains in a way very advantageous to the publick."⁵⁸

It seems that Hutcheson's view of the justice of interest in comparison to scholastics can be explained by reference to their respective views on the good for man. Some subtle changes exist between the views of St. Thomas and Hutcheson that may prove instructive. Recall that the highest good according to St. Thomas was the beatific vision. Hutcheson agrees that this is part of the good for man along with the performance of the duties of the life of virtue. Hutcheson and St. Thomas would agree that charity is a duty of those that can afford it. But Hutcheson goes farther in his definition of the virtuous life by including encouragement of "the more ingenious

⁵⁷"In loans for consumption, we don't expect the same individual goods, but equal quantities by weight or measure. If the loan is not designed as a favour, there's a right to demand interest. Nor is it necessary to make interest lawful that the goods lent be naturally fruitful: for tho' money for instance yields no natural increase; yet as by it one may purchase such goods as yield increase; nay by employing it in trade or manufactures may make a much higher gain; 'tis but natural that for such valuable advantages accruing to us by the loan, we should give the owner of the money some price or recompence proportioned to them. The prohibition of all loans for interest would be destructive to any trading nation, . . ." Hutcheson, Short Introduction, p. 219.

⁵⁸Hutcheson, System II, 72.

and useful arts." Now the rich could subsidize inventors and businessmen by gifts, but gifts to others than the poor do not fulfill the duties of charity as such. It may be more realistic to expect that adequately functioning credit markets will prove most beneficial to the encouragement of these practical arts. In fact, should a gain be made by an inventor or entrepreneur, it is a matter of justice that the gain be shared with the supplier of money.⁵⁹

St. Thomas held that the obtaining of goods necessary for life was a secondary part of the good life.⁶⁰ The place of primary importance was occupied by the beatific vision. Hutcheson seems to agree with the schoolmen on this point. "The schoolmen therefor justly call God the supreme object of happiness, or the supreme objective good, from the knowledge and love of whom, with the hopes of being favoured by him, our supreme happiness must arise."⁶¹

The subtle difference between Hutcheson and the church fathers consists in Hutcheson's according economic activity and technological advance a slightly higher place in the life of virtue and in the life of happiness than the scholastics had done.

Does not the universal choice of Mankind, in preferring to bear Labour for the Conveniencies and Elegancies of Life, shew that their Pleasures are greater than those of Sloth, and that Industry, notwithstanding its Toils, does really increase the Happiness of Mankind? Hence

⁵⁹Ibid., II, 71.

⁶⁰See above, p. 22.

⁶¹Hutcheson, Short Introduction, p. 60.

it is that in every Nation great Numbers support themselves by Mechanick Arts not absolutely necessary; since the Husbandman is always ready to purchase their Manufactures by the Fruits of his Labours, without any Constraint; which they would not do if the Pleasures or Happiness of Idleness were greater. This may shew us how little Justice there is in imagining an Arcadia, or unactive Golden Age, would ever suit with the present state of the World, or produce more Happiness to Men than a vigorous improvement of Arts.⁶²

The taking of interest, and expansion of credit markets becomes for Hutcheson a means of promoting the society which he envisions. Economic activity occupies a place in the life of virtue and happiness, and the taking of interest allows economic activity to increase in most cases.

If the polity of any state allows little commerce with foreigners, admits of no great increase of wealth in the hands of a few, nor of any alienation of lands to perpetuity; if it is designed for a republic of farmers, which some great authors judge most adapted for virtue and happiness, there all interest of money might properly be prohibited. But where the strength of a state depends on trade, such a law would be ruinous.⁶³

In presenting wise statecraft and economic activity as parts of the life of virtue Hutcheson opens the way for a more thoroughgoing study of political economy as an autonomous science. Hutcheson incorporates technical economic analysis in his writings and helped lay the foundation for later economists.

⁶²Hutcheson, Collection, p. 378.

⁶³Hutcheson, System II, 74.

Hutcheson's analysis includes a quite clear exposition of the benefits of specialization and exchange:

. . . the common interest of all constantly requires an intercourse of offices, and the joint labours of many: and that when mankind grow numerous, all necessaries and conveniences will be much better supplied to all, when each one chooses an art to himself, by practice acquires dexterity in it, and thus provides himself great plenty of such goods as that art produces, to be exchanged in commerce for the goods produced in like manner by other artisans; . . .⁶⁴

In analyzing the exchange mechanism, Hutcheson recognizes the importance of demand and supply phenomena. ". . . we shall find that the prices of goods depend on these two jointly, the demand on account of some use or other which many desire, and the difficulty of acquiring, or cultivating for human use."⁶⁵ Demand is presented as being determined by utility, and supply is determined by restrictions placed upon the output of goods by the niggardliness of nature or by "all other circumstances" which would presumably include artificial restrictions.

By the use causing a demand we mean not only a natural subserviency to our support, or to some natural pleasure, but any tendency to give any satisfaction, by prevailing custom or fancy, as a matter of ornament or distinction in the more eminent stations; for this will cause a demand as well as natural use. In like manner by difficulty of acquiring, we do not only mean great labour or toil, but all other circumstances which prevent a great plenty of the goods or performances demanded.⁶⁶

⁶⁴Hutcheson, Short Introduction, p. 163.

⁶⁵Hutcheson, System II, 54.

⁶⁶Ibid., II, 54.

In any analysis of the market economy an occasional paradox presents itself and must be explained. The water-diamond problem is presented by Adam Smith to illustrate the paradoxical nature of a good whose value in use is very high, yet whose value in exchange is very low such as water; the use value of a diamond is low, yet its exchange value is high.⁶⁷ The solution to the paradox is found by examining supply and demand phenomena. Hutcheson, no doubt, influenced Smith's thinking here, for he has hinted at the nature of the paradox and the solution.⁶⁸

Some goods of the highest use, yet have either no price or but a small one. If there's such plenty in nature that they are acquired almost without any labour, they have no price; if they may be acquired by easy common labour, they are of small price. Such is the goodness of God to us, that the most useful and necessary things are generally very plentiful and easily acquired.⁶⁹

Hutcheson held a quantity theory of money. He asserted that increasing the supply of coins in a country would make their value fall (or increase the price level).

If one state had all the mines in the world in its power, then by circulating small quantities, it could make the values of these metals and coins high in respect of other goods; and by circulating more of them, it could make their values fall. We say indeed commonly, that the rates of labour and goods have risen since these metals grow

⁶⁷Adam Smith, Wealth of Nations, p. 28.

⁶⁸Smith's treatment, however, is not as straightforward as Hutcheson's. Reasons for Smith's apparent obfuscation of the value problem are due to his attempt to find a long run standard of value. See below pp. 131-132 and 159-163.

⁶⁹Hutcheson, Short Introduction, p. 28.

plenty; and that the rates of labour and goods were low when the metals were scarce; conceiving the value of the metals as invariable, because the legal names of the pieces, the pounds, shillings, or pence, continue to them always the same till a law alters them. But a days digging or ploughing was as uneasy to a man a thousand years ago as it is now, tho' he could not then get so much silver for it: and a barrel of wheat, or beef, was then of the same use to support the human body, as it is now when it is exchanged for four times as much silver. Properly, the value of labour, grain, and cattle, are always pretty much the same, as they afford the same uses in life, where no new inventions or tillage, or pasturage, cause a greater quantity in proportion to the demand. 'Tis the metal chiefly that has undergone the great change of value, since these metals have been in greater plenty, the value of the coin is altered tho' it keeps the old names.⁷⁰

In the last part of this passage Hutcheson is evidently discussing what Smith would call real and nominal values of goods and of labor.⁷¹ Hutcheson's discussion of the fairly constant real value of labor and grain may have influenced Smith in his version of the labor theory of value. "Labour alone, therefore, never varying in its own value, is alone the ultimate and real standard by which the value of all commodities can at all times and places be estimated and compared."⁷²

It seems curious that both Hutcheson and Smith discuss the determination of price by supply and demand phenomena and also include a labor theory of value. It is probable that Smith was trying

⁷⁰Hutcheson, System II, 57-58.

⁷¹Adam Smith, Wealth of Nations, p. 33.

⁷²Ibid.

to devise a long run measure of value or an indexing system using labor as the long run measure. The above passage by Hutcheson may point to the same thing where he speaks of the value of labor and grain being fairly constant. Smith, too, talks of a labor-grain measure of value over time.

Equal quantities of labour will at distant times be purchased more nearly with equal quantities of corn, the subsistence of the labourer, than with equal quantities of gold and silver, or perhaps of any other commodity. Equal quantities of corn, therefore, will, at distant times, be more nearly of the same real value, or enable the possessor to purchase or command more nearly the same quantity of the labour of other people.⁷³

In a passage from A System of Moral Philosophy Hutcheson shows his clear anticipation of Smith on the invariable labor-grain standard of value. The discussion centers around the possibility of fixing a man's salary over time in real terms.

"The most invariable salary would be so many days labour of men, or a fixed quantity of goods produced by the plain inartificial labours, such goods as answer the ordinary purposes of life. Quantities of grain come nearest to such a standard."⁷⁴

Hutcheson also suggested principles of taxation, such as ease of collection, and emphasis upon taxing luxuries. He also hints at a proportional or perhaps progressive tax rate.

As to taxes for defraying the publick expences, these are most convenient which are laid on matters of luxury and splendour, rather than the necessaries of life; on

⁷³Ibid., p. 35.

⁷⁴Hutcheson, System II, 62-63.

foreign products and manufactures, rather than domestick; and such as can be easily raised without many expensive offices for collecting them. But above all, a just proportion to the wealth of people should be observed in whatever is raised from them, . . .⁷⁵

Hutcheson has further importance for economic science due to his influence on the development of utilitarianism, although it has been indicated above that Hutcheson was not a utilitarian in the sense of being a Philosophical Radical. James Bonar comments on the difference between Hutcheson and the properly utilitarian school. "The end is so conceived by him (Hutcheson) that it involves the distinction of higher and lower pleasures, separating Hutcheson, not indeed from the Greeks, but from the modern utilitarian of the stricter type 'who shakes his head and says they are all the same.'"⁷⁶

What then was Hutcheson's influence on utilitarian thought? He clearly recognizes that the mind's apprehension of utility influences the demand for a good, not something in the nature of the good itself; but this is not remarkable--St. Augustine would have said the same thing. Utilitarianism holds that good is pleasure and evil is pain, nothing more or less. If man is to pursue the good, he must pursue his pleasure, however he conceives it. His apprehension of pleasure is a final judgment of good, or his utility function is autonomous--that is, subject to no higher authority. It is this premise

⁷⁵Ibid., II, 340-341.

⁷⁶James Bonar, Moral Sense (London, 1930), p. 100.

of utilitarianism that underlies so much modern economic theory.⁷⁷ Bentham certainly presented a full-blown theory of utility as the great mover of human action. However, Hutcheson, perhaps unwittingly, laid the groundwork for misapprehensions by utilitarianism with his moral sense doctrine.

Recall that Hutcheson viewed benevolence, or doing good to others, at two levels. A basic type of benevolence recommends strongly to us our own interest and that of a small circle of intimates. This aspect of benevolence is consistent with Hutcheson's greatest-happiness-for-the-greatest-number principle, because the individuals constitute the whole society. As the good of each individual is promoted, the good of society is furthered. We might call this Hutcheson's first invisible hand view. However, the moral sense apprehends a more extensive benevolence toward larger groups of mankind as being the proper course of action. If conflict arises between pursuit of individual interest and that of society, the moral sense recommends

⁷⁷For example, Kenneth Boulding makes the following statement as a preliminary to discussing consumer behavior and the derivation of demand curves. "A model which has been of great importance historically, and which is still useful in organizing our thinking even though it has some limitations, is the utility model in which the household is assumed to guide its behavior by maximizing an ultimate psychological product called utility. In this model the household . . . buys consumer's goods as a firm buys inputs, and like the firm transforms them into a final product whose worth may in some manner be estimated. The final product of the household, however, is not a physical product to be seen, tasted, and handled. It is a psychological product, utility . . . Utility, therefore, is the ultimate product of all economic activity--indeed, in its broadest sense, of all human activity whatever." Kenneth E. Boulding, Economic Analysis (New York, 1966), I, 520-521.

the more extensive interest. This is perhaps the second invisible hand view. Bentham agreed after a fashion with Hutcheson's first view and disagreed with his second. Bentham is not sure that men apprehend conflicts in performing benevolent actions. However, he simply states that benevolence to a small group is seldom in conflict with the public interest. When conflicts do arise men are, or should be, directed toward the public interest by the laws, not the moral sense.⁷⁸

Once Bentham knocks down the moral sense as an operative force in man, Hutcheson's system becomes transformed into utilitarianism. Reason is still employed as a means; ends are simply posited by men. However, ends are no longer moral but arbitrary, and if accomplishing any end whatsoever brings pleasure to a man, then he has experienced the good; for pleasure of whatever kind is the good for man as far as Bentham is concerned. Hutcheson preceded Bentham in equating pleasure with the good, but, as Bonar remarks, Hutcheson differentiated the higher or moral pleasures from the lower, or sensual ones. Bentham makes no such distinction. Hutcheson could call a man deformed in character who was engaging in horrible cruelty to his fellow-man. Bentham could make no such statement. Such a fellow is in fact pursuing the good.

⁷⁸Bentham, Principles of Morals, p. 379. We know that Bentham explicitly ridiculed Hutcheson's Moral sense theory. See above, p. 74.

Let a man's motive be ill-will; call it even malice, envy, cruelty; it is still a kind of pleasure that is his motive: the pleasure he takes at the thought of the pain which he sees, or expects to see, his adversary undergo. Now even this wretched pleasure, taken by itself, is good: it may be faint; it may be short: it must at any rate be impure: yet while it lasts, and before any bad consequences arrive, it is as good as any other that is not more intense.⁷⁹

The wise legislator, to whom Bentham is writing, must ensure through the laws that one individual's pursuit of pleasure does not inflict pain on larger numbers of society. The only problem with Bentham's utilitarianism is in finding the wise legislator. How can a man make laws that will be conducive to the public interest when, in some cases, those very laws might oppose his own pursuit of pleasure? How can the wise legislator transcend the pursuit of pleasure?⁸⁰ For Hutcheson this poses no problem. The moral sense at times overcomes lower sensual desires.

This discussion of the development of utilitarianism is designed to show the non-relativistic nature of Hutcheson's thought as compared

⁷⁹Ibid., p. 369.

⁸⁰Bentham, no doubt, conceived himself to be suitable for the job of legislator. It is known for a fact that for years Bentham sought to establish a model prison in England called the Panopticon in which he was to become the god-like jailer observing with an unseen eye all the prisoners from a central turret in the circular prison. "Bentham did not believe in God, but he did believe in the qualities apotheosized in God. The Panopticon was a realization of the divine ideal, spying out the ways of the transgressor by means of an ingenious architectural scheme, turning night into day with artificial light and reflectors, holding men captive by an intricate system of inspection. Its purpose was not so much to provide a maximum amount of human supervision, as to transcend the human and give the illusion of a divine omnipresence:" Himmelfarb, Victorian Minds, p. 35.

with that of Bentham. Also, some of the assumptions of modern economics, such as "individual preferences count," are not as ethically bland as is supposed. Finally, if economists wish to posit goals or ends for society, we must rethink these problems of the good for man and the nature of man. Make no mistake, economists are continually advocating goals such as individual freedom, redistribution of wealth or income, environmental protection, or shortening the work-week; and more justification is needed for any policy than simply "It is my value judgment." If we hold that the good for man is satisfaction of individual desire, then let us be explicit. If this is not our position then let us reflect a little further on the good and the good life.

Irving Kristol comments on the problems which a thoroughgoing utilitarianism pose for a modern, liberal society.

One of the keystones of modern economic thought is that it is impossible to have an a priori knowledge of what constitutes happiness for other people; that such knowledge is incorporated in an individual's 'utility schedules;' and this knowledge, in turn, is revealed by the choices the individual makes in a free market. This is not merely the keystone of modern economic thought--it is also the keystone of modern, liberal, secular society itself

Certainly, one of the key problematic aspects of bourgeois-liberal society has long been known and announced. This is the fact that liberal society is of necessity a secular society, one in which religion is mainly a private affair. Such a disestablishment of religion, it was predicted by Catholic thinkers and others, would gradually lead to a diminution of religious faith and a growing skepticism about the traditional consolations of religion--especially the consolations offered by a life after death. One such consequence is that the

demands placed upon liberal society, in the name of temporal 'happiness,' have become ever more urgent and ever more unreasonable.⁸¹

Kristol also states that the curx of new left thinking is an attack on economic science and bourgeois society precisely because it has not produced happiness. If liberal political economists are to be able to make any utterances other than agreement with the new left critiques, then some knowledge of the changes in viewpoint concerning the good for man, as well as some reflection on this important question, would be helpful.

Hutcheson's importance and influence in the history of economic thought has been indicated--his explanation of reason as a means only, his inclusion of sensual pleasure (albeit of the moral sense) in the highest good for man, his love of liberty. Hutcheson's treatment of the virtuous life provides a philosophical basis for liberal political economy and the founding of economics as an autonomous science. His moral sense doctrine leads to an early statement of the means of harmony between self-interest and the public good. Although not a utilitarian, Hutcheson has importance for the development of utilitarianism in his treatment of the good as the pleasant. Finally, Hutcheson's technical economic analysis including his development of the concept of implicit wages and his attempt to devise a long run measure of value contributed to the growing corpus of economic theory.

⁸¹Irving Kristol, "Capitalism, Socialism, and Nihilism," The Public Interest, (Spring, 1973), p. 6, 10.

We now proceed to a more detailed discussion of the intellectual relationship between Hutcheson and Adam Smith, pursuing further the themes that have been presented thus far. What is Smith's view of human nature and the good? How does he resolve Mandeville's paradox? Is he completely utilitarian?

HUTCHESON AND SMITH

In addition to his famous book on political economy, The Wealth of Nations (1776), Adam Smith also wrote a book on moral philosophy, The Theory of Moral Sentiments (1759). Much effort has been expended in an attempt to reconcile sympathy or sentiment, the operative force in Smith's moral world, with self-interest, the operative force in Smith's economic world. This is the so-called Das Adam Smith Problem of German scholarship. In this chapter the influence of Hutcheson's thought on the works of Adam Smith will be traced, and an attempt will be made to show the complementarity of Smith's moral and economic works.

Smith seems to accept Hutcheson's epistemological approach in all points. Smith states that reason is incapable of apprehending ends. "These first perceptions, as well as all other experiments upon which any general rules are founded, cannot be the object of reason, but of immediate sense and feeling."¹ Smith also seems to point toward psychological introspection as the empirical method suitable for finding the truth about man's passions and motivations.

Smith states that speculative systems of natural philosophy may deceive for a long time such as the vortices of Descartes. However, Smith states:

¹ Adam Smith, The Theory of Moral Sentiments (New York, 1966), pp. 469-470.

But it is otherwise with systems of moral philosophy; and an author who pretends to account for the origin of our moral sentiments, cannot deceive us so grossly, nor depart so very far from all resemblance to the truth An author who treats of natural philosophy, and pretends to assign the causes of the great phenomena of the universe, pretends to give an account of the affairs of a very distant country, concerning which he may tell us what he pleases; and as long as his narration keeps within the bounds of seeming possibility, he need not despair of gaining our belief. But when he proposes to explain the origin of our desires and affections, of our sentiments of approbation and disapprobation, he pretends to give an account, not only of the affairs of the very parish that we live in, but of our own domestic concerns.²

Smith seems to be saying that men are capable of knowing their own motivations of approval or disapproval to some extent. Also, men can judge the faculty or power of approbation in others by observing such a faculty in themselves. "Every faculty in one man is the measure by which he judges of the like faculty in another."³

Smith also seems to follow Hutcheson in holding with the ancients that man has an internal principle of growth toward an end. Man is not merely a body in random motion, and his development cannot be arbitrarily directed by the legislature.

The man of system, . . . is apt to be very wise in his own conceit, and is often so enamoured with the supposed beauty of his own ideal plan of government, that he cannot suffer the smallest deviation from any part of it. He goes on to establish it completely and in all its parts, without any regard either to the great

²Ibid., p. 460.

³Ibid., p. 18.

interest or to the strong prejudices which may oppose it: he seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board; he does not consider that the pieces upon the chess-board have no other principle of motion besides that which the hand impresses upon them; but that, in the great chess-board of human society, every single piece has a principle of motion of its own, altogether different from that which the legislature might choose to impress upon it. If those two principles coincide and act in the same direction, the game of human society will go on easily and harmoniously, and is very likely to be happy and successful. If they are opposite or different, the game will go on miserably, and the society must be at all times in the highest degree of disorder.⁴

The outstanding difference between Hutcheson and Smith in their approaches to moral knowledge is that for Hutcheson, moral knowledge was available to man by means of an internal faculty called the moral sense; for Smith, moral knowledge was obtained by a sympathetic placement of oneself in another's situation and an appeal to the impartial spectator for judgment of the proper moral action. It will be shown that Smith's use of the impartial spectator as a means of moral apprehension made morality and the good life more dependent on social relationships than perhaps Hutcheson would have held.

The Moral Invisible Hand

Recall that Hutcheson's moral sense could apprehend the duties of benevolence toward extensive groups of mankind--that is, individuals are capable of autonomously apprehending moral duty. Smith

⁴Ibid., pp. 342-343.

holds that knowledge of moral duty arises from social interaction, not from an individual faculty. Without society there can be no knowledge of morals. The society of others regulates our own extreme passions as we consider the views of others. Our passions and viewpoints tend to be brought into accord with the rest of society by the operation of sympathy, and, as stated below, sympathy is the beginning of moral judgment.⁵ Glenn Morrow comments on this point:

The theory of Adam Smith abandons this individualistic method. The moral world is something independent of the individual thinker. His moral judgement is based, not upon an inner intuition of rational truth, nor upon a divine revelation, but upon the reflected sentiments of himself and those of his fellow-men, mutually supporting and influencing one another, produce the objective order of moral standards. At the same time this objective moral order is not a transcendent rational order, like the order of immutable truth to which the intellectualist moralists appealed, but an order immanent in human experience, and varying with the conditions of experience.⁶

This is not to say that Hutcheson's methodologically individualistic analysis of the means of moral apprehension leads to a narrow concern with the individual only. It does not. We know that Hutcheson was very concerned with the duties incumbent on different groups in society, and the consequences of those duties on society as a whole--for instance, the duty of good offices by the rich might produce technological advances which would benefit all of society. All that is being said here is that Smith's analysis of morals depends on society itself to produce moral standards.

⁵Ibid., pp. 23-24.

⁶Glenn R. Morrow, The Ethical and Economic Theories of Adam Smith (New York, 1923), p. 33.

According to Smith, the first step toward making a moral judgment about the actions of another is to mentally place oneself in the other's position. "As we have no immediate experience of what other men feel, we can form no idea of the manner in which they are affected, but by conceiving what we ourselves would feel in the like situation."⁷ This ability of entering psychologically into another's situation is called sympathy. In The Theory of Moral Sentiments, Adam Smith says quite clearly and distinctly what he means by the principle of sympathy as an operative force in man.

Pity and compassion are words appropriated to signify our fellow feeling with the sorrow of others. Sympathy, though its meaning was, perhaps, originally the same, may now, however, without much impropriety, be made use of to denote our fellow-feeling with any passion whatsoever.⁸

Sympathy does not always denote a compassionate and benevolent feeling toward our fellow men. Sympathy is simply an ability to understand or feel to a certain degree the passions which motivate others, whatever those passions might be. The meaning of sympathy here is similar to that of empathy in modern discussions. We might be able to sympathize with passions of love and benevolence or pride and vanity. So with this definition of sympathy, it is possible for men to be motivated by self-interest, as Smith emphasizes in The

⁷Smith, Moral Sentiments, p. 3.

⁸Ibid., p. 5.

Wealth of Nations, and also to sympathize with the motives of self-interest in others. However, man is not exclusively a self-interested creature. "How selfish soever man may be supposed, there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it, except the pleasure of seeing it,"⁹

In judging one's own conduct, an appeal must be made to an impartial spectator; or we must try to view our own conduct through the eyes of some imaginary onlooker. If the spectator approves of an action, we can approve it also by means of sympathy with the spectator.

We endeavour to examine our own conduct as we imagine any other fair and impartial spectator would examine it. If, upon placing ourselves in his situation, we thoroughly enter into all the passions and motives which influenced it, we approve of it, by sympathy with the approbation of this supposed equitable judge. If otherwise, we enter into his disapprobation and condemn it.¹⁰

By means of the impartial spectator we are able to apprehend the virtues currently approved. It seems that the views of the impartial

⁹Ibid., p. 3. Concerning the matter of self-interest and fellow-feeling with others, Joseph Cropsey states; "It would be misleading to suggest that Smith's doctrine of man's sociality was a relapse into the Middle Ages or into antiquity. It would be more misleading to suggest that, in Smith's view, human nature is simply dominated by a natural sociality of any description . . . the theme of man's natural directedness toward preservation is not by any means made to languish by Smith We are able to gather, therefore, that if we use 'altruism' and 'egoism' in their literal sense, man can be described, according to Smith, as being by nature altruistic and egoistic--a species-member moved by love of self and fellow feeling with others." Joseph Cropsey, "Adam Smith," in History of Political Philosophy, ed. by Leo Strauss and Joseph Cropsey (Chicago, 1972), p. 613.

¹⁰Smith, Moral Sentiments, p. 162.

spectator could change as society develops. The virtues which Smith delineates are prudence, justice, and beneficence.

In our approbation of the character of the prudent man, we feel with peculiar complacency the security which he must enjoy while he walks under the safeguard of that sedate and deliberate virtue. In our approbation of the character of the just man, we feel with equal complacency the security which all those connected with him, whether in neighbourhood, society, or business, must derive from his scrupulous anxiety never either to hurt or offend. In our approbation of the character of the beneficent man, we enter into the gratitude of all those who are within the sphere of his good offices, and conceive with them the highest sense of his merit.¹¹

Prudence for Smith is similar to Hutcheson's virtue of prudence. It has specifically economic connotations and makes economic activity a part of the virtuous life.¹² Hutcheson's virtue of temperance is also mentioned by Smith as a part of prudent conduct.¹³ Smith differs somewhat from Hutcheson's treatment of the virtues of fortitude and justice. Smith omits fortitude from his listing of the virtues. The reason, perhaps, being that Smith detected a decline in this attribute as the economic development of society took place.

¹¹Ibid., p. 388.

¹²"The care of the health, of the fortune, of the rank and reputation of the individual, the objects upon which his comfort and happiness in this life are supposed principally to depend, is considered as the proper business of that virtue which is commonly called prudence." Ibid., p. 311.

¹³"In the command of those appetites of the body consists that virtue which is properly called temperance. To restrain them within those bounds, which regard to health and fortune prescribes, is part of prudence. But to confine them within those limits, which grace, which propriety, which delicacy, and modesty, require, is the office of temperance." Ibid., pp. 34-35.

That in the progress of improvement the practice of military exercises, unless government takes proper pains to support it, goes gradually to decay, and, together with it, the martial spirit of the great body of the people, the example of modern Europe sufficiently demonstrates.¹⁴

Justice for Smith consists of those basic sanctions that prevent injury to the populace. "The object of justice is the security from injury, and it is the foundation of civil government."¹⁵ Hutcheson includes good offices under the heading of justice; Smith does not do so. Smith considers good offices toward others as the virtue of beneficence.¹⁶ Beneficence is the most attractive of the virtues, and it ". . . is always free, it cannot be extorted by force, . . ."¹⁷ Beneficence is desirable for its beauty, but it is not absolutely necessary to the order and existence of civil society, as is justice.

It (beneficence) is the ornament which embellishes, not the foundation which supports the building, and which it was, therefore, sufficient to recommend,

¹⁴Smith, Wealth of Nations, p. 738. Smith recognizes that fortitude is a part of the character of the whole man. ". . . a coward, a man incapable either of defending or of revenging himself, evidently wants one of the most essential parts of the character of a man." Ibid., p. 739. Smith is concerned with the loss of martial spirit in the great body of the people, but he, nevertheless, does not list fortitude specifically among the virtues.

¹⁵Adam Smith, Lectures on Justice, Police, Revenue and Arms, ed. by Edwin Cannan (New York, 1964), p. 3. Also on this point Smith states: "Mere justice is, upon most occasions, but a negative virtue, and only hinders us from hurting our neighbours." Smith, Moral Sentiments, p. 117.

¹⁶Smith, Moral Sentiments, p. 385.

¹⁷Ibid., p. 112.

but by no means necessary to impose, Justice, on the contrary, is the main pillar that upholds the whole edifice. If it is removed, the great . . . fabric of human society . . . must in a moment crumble into atoms.¹⁸

Prudence, justice, and beneficence are the virtues proper to man, and "The man who acts according to the rules of perfect prudence, of strict justice, and of proper benevolence, may be said to be perfectly virtuous."¹⁹ What is it, then, that crucially differentiates Smith's treatment of the life of virtue from that of his teacher, Francis Hutcheson? Specific points of agreement and difference have already been noted. The important point of difference seems to be the method by which the virtues are apprehended.

Recall that Hutcheson was a vigorous proponent of liberty, because by extending freedom, men could follow more fully the dictates of the moral sense. The moral sense apprehended good and virtuous ends for mankind, and the pursuit of those ends could only be beneficial to society. Smith must have been impressed by Hutcheson's forceful advocacy of liberty. However, Smith's exposition of the benefits of freedom proceeds in a different manner from that of Hutcheson.

Smith doesn't agree with Hutcheson's innate moral sense idea, but he substitutes appeal to the impartial spectator for approval or disapproval of actions. Smith views the working of the impartial

¹⁸Ibid., p. 125.

¹⁹Ibid., p. 349.

spectator of his own day as leading men to pursue wealth rather than virtue itself; that is to say, most men perceive no further end than wealth.

They are the wise and the virtuous chiefly, a select, though, I am afraid, but a small party, who are the real and steady admirers of wisdom and virtue. The great mob of mankind are the admirers and worshippers, and, what may seem more extraordinary, most frequently the disinterested admirers and worshippers, of wealth and greatness.²⁰

So, if freedom is extended, evidently the majority of men will pursue wealth and greatness. Smith could applaud the extension of liberty if wealth and greatness were the ultimate ends of man's activity. However, Smith quite clearly states that this is not his view.

. . . wealth and greatness are mere trinkets of frivolous utility, no more adapted for procuring ease of body or tranquillity of mind, than the tweezer-cases of the lover of toys; and like them, too, more troublesome to the person who carries them about with him than all the advantages they can afford him are commodious.²¹

How is it, then, that Smith could follow Hutcheson in expounding the benefits of liberty particularly in the production of wealth; if he held that wealth and greatness were "mere trinkets of frivolous utility"? Evidently a further inquiry must be made into Smith's view of the good for man.

²⁰Ibid., p. 85.

²¹Ibid., p. 261.

Smith's idea of the good life seems to consist of two basic parts. One aspect of the good life is tranquillity. "Happiness consists in tranquillity and enjoyment. Without tranquillity there can be no enjoyment; and where there is perfect tranquillity there is scarce anything which is not capable of amusing."²² The second aspect of happiness consists in being beloved.

If the chief part of human happiness arises from the consciousness of being beloved, as I believe it does, those sudden changes of fortune seldom contribute much to happiness. He is happiest who advances more gradually to greatness, whom the public destines to every step of his preferment long before he arrives at it, in whom, upon that account, when it comes, it can excite no extravagant joy, and with regard to whom it cannot reasonably create either any jealousy in those he overtakes, or any envy in those he leaves behind.²³

The tranquillity which Smith has in mind is not that of the contemplative life. This type of life can only be lived by the very few, and the bulk of mankind is necessarily occupied with other pursuits.

The idea of that divine Being, whose benevolence and wisdom have from all eternity contrived and conducted the immense machine of the universe so as at all times to produce the greatest possible quantity of happiness, is certainly, of all the objects of human contemplation, by far the most sublime The man whom we believe to be principally occupied in this sublime contemplation, seldom fails to be the object of our highest veneration; and though his life should be altogether contemplative, we often regard him with a sort of religious respect, much superior to that with which we look upon the most active and useful servant of the commonwealth

To man is allotted a much humbler department, but one much more suitable to the weakness of his powers,

²²Ibid., p. 209.

²³Ibid., p. 56.

and to the narrowness of his comprehension--the care of his own happiness, of that of his family, his friends, his country: that he is occupied in contemplating the more sublime, can never be an excuse for his neglecting the more humble department; . . .²⁴

Man, according to Smith, is made for action, and it is fortunate that this is so. Through purposeful action man can achieve the applause of fellow men and the sense of being beloved which is one part of the good life.²⁵ Where is the life of tranquillity to be found in this world of action? Tranquillity is found not in sublime contemplation, but in the friendly intercourse and conversation of civil society. Tranquillity is found in an even temper, in the equable disposition of a man of the world.

²⁴Ibid., pp. 347-348. Smith seems to have been averse to the type of contemplation found in the Middle Ages. "In the ancient philosophy the perfection of virtue was represented as necessarily productive, to the person who possessed it, of the most perfect happiness in this life. In the modern philosophy it was frequently represented as generally, or rather as almost always inconsistent with any degree of happiness in this life; and heaven was to be earned only by penance and mortification, by the austerities and abasement of a monk; not by the liberal, generous, and spirited conduct of a man." Smith, Wealth of Nations, p. 726.

²⁵"Man was made for action, and to promote by the exertion of his faculties such changes in the external circumstances both of himself and others, as may seem most favourable to the happiness of all. He must not be satisfied with indolent benevolence, nor fancy himself the friend of mankind, because in his heart he wishes well to the prosperity of the world. That he may call forth the whole vigour of his soul, and strain every nerve, in order to produce those ends which it is the purpose of his being to advance, Nature has taught him, that neither himself nor mankind can be fully satisfied with his conduct, nor bestow upon it the full measure of applause, unless he has actually produced them. He is made to know, that the praise of good intentions, without the merit of good offices, will be but of little avail to excite either the loudest acclamations of the world, or even the highest degree of self-applause. Smith, Moral Sentiments, pp. 153-154.

Society and conversation, therefore, are the most powerful remedies for restoring the mind to its tranquillity, if, at any time, it has unfortunately lost it; as well as the best preservatives of that equal and happy temper, which is so necessary to self-satisfaction and enjoyment. Men of retirement and speculation, who are apt to sit brooding at home over either grief or resentment, though they may often have more humanity, more generosity, and a nicer sense of honour, yet seldom possess that equality of temper which is so common among men of the world.²⁶

How are men to go about achieving this Smithian good life as outlined above? There are two possibilities open to man for achieving the consciousness of being beloved: the study of wisdom and practice of virtue, or the attainment of wealth and greatness.

To deserve, to acquire, and to enjoy, the respect and admiration of mankind, are the great objects of ambition and emulation. Two different roads are presented to us, equally leading to the attainment of this so much desired object; the one, by the study of wisdom and the practice of virtue; the other, by the acquisition of wealth and greatness. Two different characters are presented to our emulation; the one of proud ambition and ostentatious avidity; the other, of humble modesty and equitable justice. Two different models, two different pictures, are held out to us, according to which we may fashion our own character and behaviour; the one more gaudy and glittering in its colouring; the other more correct and more exquisitely beautiful in its outline; the one forcing itself upon the notice of every wandering eye; the other attracting the attention of scarce any body but the most studious and careful observer.²⁷

There is no doubt in Smith's mind as to which road the majority of mankind are going to take. As pointed out above; ". . . the great mob of mankind are the admirers . . . of wealth" However, there is a powerful invisible hand at work in the moral world by

²⁶Ibid., p. 25.

²⁷Ibid., pp. 84-85.

which the pursuit of wealth is productive of a part of the life of virtue. At least this is true for the lower and middle classes.

In the middling and inferior stations of life, the road to virtue and that to fortune, to such fortune, at least, as men in such stations can reasonably expect to acquire, are, happily, in most cases very nearly the same. In all the middling and inferior professions, real and solid professional abilities, joined to prudent, just, firm, and temperate conduct, can very seldom fail of success In such situations, therefore, we may generally expect a considerable degree of virtue; and, fortunately for the good morals of society, these are the situations of by far the greater part of mankind.²⁸

So, though men are deluded in thinking that wealth itself is happiness, by pursuing wealth they are led into the virtuous conduct which is necessary for the production of wealth. In a passage from The Theory of Moral Sentiments, Smith says that this deception about wealth is fortunate, because it leads to the development of great civilizations.²⁹ This very process of civilization allows man to

²⁸Ibid., p. 86.

²⁹"If we consider the real satisfaction which all these things are capable of affording, by itself and separated from the beauty of that arrangement which is fitted to promote it, it will always appear in the highest degree contemptible and trifling. But we rarely view it in this abstract and philosophical light. We naturally confound it in our imagination with the order, the regular and harmonious movement of the system, the machine or economy by means of which it is produced. The pleasures of wealth and greatness, when considered in this complex view, strike the imagination as something grand, and beautiful, and noble, of which the attainment is well worth all the toil and anxiety which we are so apt to bestow upon it.

And it is well that nature imposes upon us in this manner. It is this deception which rouses and keeps in continual motion the industry of mankind. It is this which first prompted them to cultivate the ground, to build houses, to found cities and commonwealths, and to invent and improve all the sciences and arts, which ennoble and embellish human life; which have entirely changed the whole face of the globe, have turned the rude forests of nature into agreeable

fulfill his nature, for man is made for action; and civilization allows man to achieve the Smithian view of the good. Man can achieve the feeling of being beloved and public applause by the products that he creates,³⁰ and he can achieve a tranquil mind through the pleasant sociability which civilization offers. This whole process is furthered by the living of the virtuous life.

This moral invisible hand provides a powerful underpinning for the system of natural liberty. Freedom will allow men to follow their own interest which for many will be the attainment of wealth, and if men have the liberty to pursue wealth, the society very likely will become wealthy.³¹ But this is not the end for Smith. In pursuing wealth men must also exercise virtue, and with the growth of civil society man can attain the good which is tranquillity and being beloved.

and fertile plains, and made the trackless and barren ocean a new fund of subsistence, and the great high road of communication to the different nations of the earth. The earth, by these labours of mankind, has been obliged to redouble her natural fertility, and to maintain a greater multitude of inhabitants." Ibid., pp. 263-264.

³⁰"That he (man) may call forth the whole vigour of his soul, and strain every nerve, in order to produce those ends which it is the purpose of his being to advance, Nature has taught him, that neither himself nor mankind can be fully satisfied with his conduct, nor bestow upon it the full measure of applause, unless he has actually produced them. He is made to know, that the praise of good intentions, without the merit of good offices, will be but of little avail to excite either the loudest acclamations of the world, or even the highest degree of self-applause." Ibid., p. 154.

³¹"What is the species of domestic industry which his capital can employ, and of which the produce is likely to be of the greatest value, every individual it is evident, can, in his local situation, judge much better than any statesman or lawgiver can do for him." Smith, Wealth of Nations, p. 423.

Evidently, Smith is in the Hutcheson camp as a proponent of liberty and an advocate of civil society and culture. However, the views of Hutcheson and Smith about the nature of man differ, as well as their views on the developmental process of civilization. Differences in viewpoint seem to be centered around the reconciliation of self-interest with the public good. Recall that Hutcheson's moral sense could indicate when an individual's pursuit of self-interest was in conflict with the public good. Individuals not subject to confused sentiments would follow the dictates of the moral sense.³² Men can handle their freedom, and good results would flow from freedom. Therefore, Hutcheson became an outstanding proponent of the extension of liberty.

Of course, we know that Smith followed Hutcheson in advocating the system of natural liberty. Smith wrote his magnum opus on the economic benefits of liberty, and like Hutcheson he believed in moral benefits from liberty. However, Smith posited no moral sense to reconcile self-interest and the public good. Virtue and the good would be produced along with economic development and civilization. Perhaps Smith was anticipating objections to the moral sense doctrine and hoped to develop a system that could stand in the absence of a moral sense. Smith says in effect that men do not know the good, but in their deluded pursuit of wealth, men may arrive at the good through the operation of this moral invisible hand.

³²See above p. 116.

So we may say that Smith agreed with Hutcheson's position as a liberal and a proponent of civil society and culture. He disagreed with Hutcheson over the specific means by which liberty would produce moral ends.

Treatment of Mandeville

In the introduction of The Wealth of Nations Edwin Cannan states:

He (Smith) may have obtained a general love of liberty from Hutcheson, but whence did he obtain the belief that self-interest works for the benefit of the whole economic community? . . . it seems probable--we cannot safely say more--that he was assisted by his study of Mandeville,
 . . .³³

We have seen how Hutcheson treated Mandeville's paradox. He states that it is simply not a vice to consume the finest products or wear the dearest manufactures if such consumption is accompanied by temperance.³⁴ At least part of Mandeville's paradox turned on his definition of vice, and Hutcheson disagreed with that definition. However, when Mandeville speaks of orgies of consumption as being beneficial to society, Hutcheson simply opposes this method of increasing aggregate demand because of bad effects on character and the possibility of increasing consumption through charity rather than debauchery.

Smith also disagrees with Mandeville's definition of vice:

Every thing according to him is luxury which exceeds what is absolutely necessary for the support of human nature,

³³Smith, Wealth of Nations, p. 11.

³⁴See above, p. 118.

so that there is vice even in the use of a clean shirt, The ingenious sophistry of his reasoning is here, as upon many other occasions, covered by the ambiguity of language.³⁵

Smith, like Hutcheson, thought that the temperate use of the finest products constituted no vice, even if such use be called luxury.

Under necessities therefore, I comprehend, not only those things which the established rules of decency have rendered necessary to the lowest rank of people. All other things I call luxuries; without meaning by this appellation, to throw the smallest degree of reproach upon the temperate use of them.³⁶

However, Smith's treatment of the private-vices-public-benefits paradox has some common ground with Mandeville's treatment. Speaking of Mandeville's work, Smith states; "But how destructive soever this system may appear, it could never have imposed upon so great a number of persons, nor have occasioned so general an alarm among those who are the friends of better principles, had it not in some respects bordered upon the truth."³⁷

Smith's treatment of self-interest (or vice in Mandeville's system³⁸) is not designed to scandalize or shock. Smith's paradox

³⁵Smith, Moral Sentiments, pp. 456-457.

³⁶Smith, Wealth of Nations, p. 822.

³⁷Smith, Moral Sentiments, p. 459.

³⁸Mandeville states that the bees enjoy some limited or mild form of government; ". . . They were not Slaves to Tyranny, Nor rul'd by wild Democracy; . . ." The bees evidently use this freedom to pursue business interests; ". . . Millions endeavoring to supply Each other's Lust and Vanity; . . ." Finally Mandeville states that all the trades were based on vice; ". . . All Trades and Places knew some Cheat, No calling was without Deceit." Mandeville, Fable, pp. 17-20.

might be stated as; "private self-delusion, public benefits", However, self-delusion is not a vice. Smith would say that in the exercise of liberty, men will pursue wealth which is a self-delusion if they equate wealth with happiness. Ultimately, through the moral invisible hand, men will arrive through exercise of some of the virtues at both wealth and decent behavior. This is very different from the spirit of Mandeville's paradox. Mandeville would hold that freedom allows men to engage in vice and low pleasures which is wonderful because of the booming economy produced by such depravity. Mandeville's view is very cynical with no concern for man's moral character--not so for Hutcheson and Smith. Hutcheson would hold that if in the final analysis, private vices were productive of public benefits, then he must oppose vice and forego such public benefits. Smith would say that pursuit of self-interest leads to public benefits, and self-interest is simply not a vice. "Regard to our own private happiness and interest, too, appear upon many occasions very laudable principles of action."³⁹ In pursuing self-interest man is led to exercise a virtuous character also, not necessarily a vice-ridden character. Smith like Hutcheson seems to be concerned with the character of the citizenry. George Stigler is right when he says; "the desire for better men, rather than for larger national incomes, was

³⁹Smith, Moral Sentiments, p. 445.

a main theme of the classical economics."⁴⁰ But, as we have seen, according to Smith, these two goals are not unalterably opposed.

Utilitarianism

We know that Adam Smith had an idea of man's perfection and the life of virtue which differed from the pleasure-pain utility of Bentham. How does Smith stand in relation to Hutcheson as a developer of utilitarian thought? Did Smith unwittingly further utilitarianism as Hutcheson had done?⁴¹ James Bonar states that virtue and the usefulness or utility of goods are not necessarily connected. ". . . virtue, Adam Smith seems to say, is not essential to utility, nor utility to virtue, . . ."⁴²

In fact, Adam Smith does not discuss the role of utility in his system, even in the purchase of consumer goods. He seems to say that desire for goods stems from propensities or natural drives of the human species rather than any sort of utility calculation. "Taste, . . . is originally approved of, not as useful, but as just, as delicate, and as precisely suited to its object. The idea of the utility of all qualities of this kind is plainly an afterthought, and not what first recommends them to our approbation."⁴³

⁴⁰George Stigler, Five Lectures on Economic Problems (London, 1949), p. 4.

⁴¹See above, pp. 133-134.

⁴²Bonar, Moral Sense, pp. 218-219.

⁴³Smith, Moral Sentiments, p. 21.

It seems that Smith has downplayed the idea of utility in goods purchases because of his extreme dislike for the attempts to found a system of morals on the principle of utility. Smith says, that if such a principle is used, philosophizing about the nature of man will resemble a course in mechanics.

There is another system which attempts to account for the origin of our moral sentiments from sympathy, distinct from that which I have been endeavouring to establish. It is that which places virtue in utility, and accounts for the pleasure with which the spectator surveys the utility of any quality from sympathy with the happiness of those who are affected by it. This sympathy is different both from that by which we enter into the motives of the agent, and from that by which we go along with the gratitude of the persons who are benefited by his actions. It is the same principle with that by which we approve of a well-contrived machine. But no machine can be the object of either of those two last-mentioned sympathies.⁴⁴

There is another aspect of utilitarianism with which Smith disagreed; that is the greatest-happiness-for-the-greatest-number principle usually associated with the name of Bentham, although we have seen that Hutcheson offered it first as a rule of thumb. We know, in fact, that Hutcheson would have opposed Bentham's radical formulation of this principle.⁴⁵ Smith follows Hutcheson in the condemnation of such an absolute welfare principle.

To hurt in any degree the interest of any one order of citizens, for no other purpose but to promote that of some other, is evidently contrary to

⁴⁴Ibid., pp. 480-481.

⁴⁵See above p. 119 and footnote.

that justice and equality of treatment which the sovereign owes to all the different orders of his subjects.⁴⁶

Hutcheson and Smith in their concern for the character of the citizenry were averse to make utility the final good for man, and Smith seems to relegate to utility a minor role in demand analysis. Paul Douglas has remarked that; "Smith's moralistic sense was probably a further reason why he failed to follow up the analysis of utility as a possible cause of value."⁴⁷ Hutcheson's moralistic sense led him to separate the utility of demand theory from moral considerations. Hutcheson's moral world led to economic development; for if people performed the good offices and prudent actions dictated by the moral sense, then economic development would follow. Smith's moralistic sense led him to disregard utility, and Smith's economic world--the process of economic development--led to the realization of the moral world. Both authors are concerned with the relationship between morality and economic life, and perhaps for this reason de-emphasized utility in the moral world (for utility makes moral questions a bit easier to relegate to the background).

We can say certainly that Smith followed Hutcheson as an advocate of the benefits of liberty. Hutcheson and Smith also shared a desire to understand the relationship between economic development and the character and virtue of the populace. However, Hutcheson and Smith

⁴⁶Smith, Wealth of Nations, p. 618.

⁴⁷Paul H. Douglas, "Smith's Theory of Value and Distribution," Adam Smith, 1776-1926 (Chicago, 1928), p. 80.

did diverge in their treatment of utility. H. M. Robertson and W. L. Taylor have suggested:

It seems that there may always remain a certain rather fascinating aura of mystery as to why the most crucial elements in these ideas (utility) were hidden in the background of the Wealth of Nations almost as though by some deliberate process of censorship.⁴⁸

They seek to explain this mystery by way of Smith's attempt to develop a long-run measure of value (which had also been suggested by Hutcheson):

. . . he concentrated upon what . . . appeared to him to be the more important phenomenon of 'natural price' or normal value, for which the traditional utility approach appeared inadequate.

The explanation must be that, in the Wealth of Nations, Adam Smith had cast his thought in a more ambitious role. His eyes were set, not on the transient determination of market values but on a long-term demonstration of the causes of the variations in the Wealth of Nations . . .⁴⁹

Robertson and Taylor are partially correct, and a further point of explanation would include the effect of moral outlook upon economic analysis. Smith was interested in long-run movements in value and the wealth of nations. This long-run outlook stemmed from Smith's view of a long-term developmental process in the moral world. His long-run moral outlook directed his concern to long-run economic phenomena. The utility concept which is at best a short-run explanation of value thus had a negligible appeal for Smith.

⁴⁸H. M. Robertson and W. L. Taylor, "Adam Smith's Approach to the Theory of Value," The Economic Journal, June, 1957 LXVII 188.

⁴⁹Ibid., p. 193.

Hutcheson may have had no such aversion to short-run utility analysis because the moral situation of the world could improve in the short-run. The main thing required was the extension of freedom to allow men to act upon the dictates of the moral sense.

Smith's performance has stood the test of time better than Hutcheson's because The Wealth of Nations can stand alone without moral considerations. Hutcheson's economic work is contained within works on moral philosophy and constitutes a small part of Hutcheson's writings.

However, Smith seems to follow Hutcheson's approach (if we consider The Theory of Moral Sentiments) by considering the relation of morals and economics. Hutcheson's position is that men's moral sense dictates certain duties to them (good offices, technological improvement) which will lead to economic development. All that men need is the liberty to pursue moral ends and economic development will follow. Smith held that man's natural self-interested drives would lead to economic development; the main ingredient necessary for this occurrence was liberty. However, through the process of development, men would find the virtuous life advantageous in procuring wealth, and civilization itself would make possible the good for man (tranquillity and being beloved).

LIBERAL POLITY AND CURRENT POLICY DILEMMAS

As I have indicated above neither Hutcheson nor Smith envisioned liberalism as a system of anarchy. Both men talked of specific areas where beneficial government action could be taken. I shall attempt to show in this chapter that these two classical liberals do not stand in any dramatic opposition to modern liberal policy. In fact, the classical liberals' discussions of government policy seems to be an origin of political liberalism. Also, I shall discuss some current policy issues and their relation with liberal polity as envisaged by Hutcheson and Smith.

Liberal Polity, Democracy, and Distribution

What did Hutcheson and Smith mean by liberalism? What areas of human activity could government properly leave alone? Liberalism is not simply a policy of governmental non-concern with economic activity. It is a policy that stems from concern with the economic and political ramifications of market endeavors.

Hutcheson observed that political power was based on property ownership, and to preserve the democratic element of a regime some plan must be worked out to prevent great concentration of wealth and political power. One plan that Hutcheson envisaged was the working of agrarian laws to prevent immoderate increases in wealth.

And consequently when the situation of the people, their manners and customs, their trade or acts, do not sufficiently of themselves cause such a diffusion of property among many as is requisite for the continuance of the Democrattick part in the constitution; there should be such Agrarian laws as will prevent any immoderate increase of wealth in the hands of a few, which could support a force superior to the whole body.¹

Expropriation of excess wealth is therefore one method of maintaining democratic polity. Although the right of property ownership is an essential feature of the system of natural liberty, both Hutcheson and Smith indicate that the public interest may require temporary suspension of this right. Smith stated quite clearly that government was instituted to maintain the security of property.² However, on occasion the public interest might be better served by expropriation.

They (entails) are founded upon the most absurd of all suppositions, the supposition that every successive generation of men have not an equal right to the earth, and to all that it possesses; but that the property of the present generation should be restrained and regulated according to the fancy of those who died perhaps five hundred years ago.³

Hutcheson indicated that government would be justified in preventing the enclosure of extensive tracts of land. Such enclosure might exclude many from gainful employment.

But as property is constituted to encourage and reward industry, it can never be so extended as to

¹Hutcheson, System II, 248.

²"Civil government, so far as it is instituted for the security of property, is in reality instituted for the defence of the rich against the poor, or of those who have some property against those who have none at all." Smith, Wealth of Nations, p. 674.

³Ibid., p. 363.

prevent or frustrate the diligence of mankind, No person or society therefore can by mere occupation acquire such a right in a vast tract of land quite beyond their power to cultivate, as shall exclude others who may want to work, . . .⁴

Hutcheson also advocates elimination of artificial privileges among the citizenry.

For the same reason, all those groundless partition-walls among citizens, confining places of power and profit to certain families or certain orders, ought to be prevented or broke down; as they are both the occasions of immoderate and dangerous wealth in these orders; and give the justest causes of indignation, resentment, and setting up of a separate interest, to all those who are thus unjustly excluded.⁵

Elimination of monopolistic privilege is another method of preserving a distribution of wealth which is consonant with democratic government. As indicated above⁶ Hutcheson thought that agrarian laws might prove unnecessary if the right to buy and sell were guaranteed to all orders of people. In a passage from the first volume of A System of Moral Philosophy Hutcheson opts for the maintenance of private property rights because of favorable incentive effects. A censorial power and proper laws, of course, must accompany property rights to prevent criminal activity and, perhaps, usurpation of political power. In this passage Hutcheson discusses and rejects the maxim "from each according to his abilities and to each according to his needs" as being unworkable because of the difficulty in

⁴Hutcheson, System I, 326.

⁵Ibid., II, 248-249.

⁶See above, p. 112.

compelling men to labor and the impossibility of knowing everyone's needs.

These reasons for property, from the general interest of society requiring universal diligence, would not hold if a wise political constitution could compel all men to bear their part in labour, and then make a wisely proportioned distribution of all that was acquired, according to the indigence, or merit of the citizens. But the other reasons would still hold from the natural sense of liberty, and the tender natural affections. Such constant vigilance too of magistrates, and such nice discernment of merit, as could ensure both an universal diligence, and a just and humane distribution, is not to be expected. Nay, no confidence of a wise distribution by magistrates can ever make any given quantity of labour be endured with such pleasure and hearty good-will, as when each man is the distributor of what he has acquired among those he loves. What magistrate can judge of the delicate ties of friendship, by which a fine spirit may be so attached to another as to bear all toils for him with joy? Why should we exclude so much of the loveliest offices of life, of liberality and beneficence, and grateful returns; leaving men scarce any room for exercising them in the distribution of their goods? And what plan of polity will ever satisfy men sufficiently as to the just treatment to be given themselves, and all who are peculiarly dear to them, out of the common stock, if all is to depend on the pleasure of magistrates, and no private person allowed any exercise of his own wisdom or discretion in some of the most honourable and delightful offices of life? Must all men in private stations ever be treated as children or fools?⁷

Therefore, Hutcheson supports property rights with the notion that a system of freedom of contract will ensure a sufficient diffusion of wealth in society to maintain democratic polity. If this is not successful, then we may enforce agrarian laws for purposes of

⁷Hutcheson, System I, 322-323.

expropriating property from the rich, This is a conditional form of laissez-faire doctrine, Government can perhaps leave buying and selling activities of individuals alone with the hope that this policy will prevent great concentrations of wealth in society. The idea presented here by Hutcheson is that liberalism can distribute wealth more equally than feudalism or mercantilism throughout society; his aim is not to legitimate vast inequalities of wealth and concentrations of power. Smith takes exactly the same tack and presents liberalism as conscious government policy to break the grip of monopolistic forces in society. He presents cases of government sanctioned monopolies with their corresponding pernicious effects on society.

A monopoly granted either to an individual or to a trading company has the same effect as a secret in trade or manufactures. The monopolists, by keeping the market constantly under-stocked, by never fully supplying the effectual demand, sell their commodities much above the natural price, and raise their emoluments, whether they consist in wages or profit, greatly above their natural rate.⁸

In his chapter on "Inequalities of Wages and Profit" in The Wealth of Nations, Smith presents case after case in which combinations of entrepreneurs or workmen lead to artificial inequalities

⁸ Smith, Wealth of Nations, p. 61. Smith gives another example of a special interest group using government for their own enrichment. "In 1688 was granted the parliamentary bounty upon the exportation of corn. The country gentlemen, who then composed a still greater proportion of the legislature than they do at present, had felt that the money price of corn was falling. The bounty was an expedient to raise it artificially to the high price at which it had frequently been sold in the times of Charles I and II" Ibid., p. 196.

among men. Smith suggests that a system of natural liberty would lead to more equality among men, not less.

Whatever regulations, therefore, tend to increase these wages and profits beyond what they otherwise would be, tend to enable the town to purchase, with a smaller quantity of its labour, the produce of a greater quantity of the labour of the country. They give the traders and artificers in the town an advantage over the landlords, farmers, and labourers in the country, and break down that natural equality which would otherwise take place in the commerce which is carried on between them. The whole annual produce of the labour of the society is annually divided between those two different sets of people. By means of those regulations a greater share of it is given to the inhabitants of the town than would otherwise fall to them; and a less to those of the country.⁹

Hutcheson and Smith were advocating the system of natural liberty as a means of restoring the natural equality among men and preserving the democratic part of the constitution by preventing great concentrations of wealth.¹⁰ However, when we use the expression laissez-faire to describe the position of the classical liberals, we must not suppose that they were hostile toward government or simply opposed to government activity in the economic realm. In fact, the rather detailed description of proper government activity by

⁹ Ibid., p. 125.

¹⁰ Smith states that men have pretty equal abilities at birth, the differences must be the result of habit and custom. Liberty, of course, might break down customary differences in men. "The difference of natural talents in different men is, in reality, much less than we are aware of; and the very different genius which appears to distinguish men of different professions, when grown up to maturity, is not upon many occasions so much the cause, as the effect of the division of labour. The difference between the most dissimilar characters, between a philosopher and a common street porter, for example, seems to arise not so much from nature, as from habit, custom, and education." Ibid., p. 15.

Hutcheson and Smith points toward modern liberalism. However, Hutcheson and Smith believed that government should remain flexible. That is, flexible means should be used to pursue objective moral standards. No system of government should be rigidly enacted. Hutcheson points out that government is essentially an experiment, and the argument from antiquity in favor of any form of government is without merit.

Tis little to the honour of any form, and of little consequence to shewing it to be a just or prudent, or sacred and venerable one, that it was the antientest, or prevailed in the earliest ages. There is no human contrivance that we could less expect to be brought to perfection at first, or in a short time and upon little experience, than that of civil polity; as the settling it well must require the greatest wisdom and experience. The argument of antiquity would recommend to us to return again to dens, and caves, and beasts skins, and acorns, or wild fruits of the earth, instead of our present houses, food and cloathing.¹¹

Smith's comments concerning the errors that the man of system is likely to commit¹² indicate that Smith also preferred a non-doctrinaire approach to government. Doctrinaire establishment of a system of government may lead to occasional discord between the government and the citizenry.

Hutcheson and Smith in their discussions of policy were prototypes of modern liberals. Laissez-faire was part of a package of policy recommendations. Laissez-faire was meant to reduce

¹¹Hutcheson, System II, 258.

¹²Smith, Moral Sentiments, pp. 342-343.

monopolistic privilege and increase the wealth of nations. Government was charged with correcting certain external effects of productive activity, interfering when necessary in affairs of business firms, and on occasion holding in abeyance the right of property ownership. Government, in fact, was to be flexible. The end of government is the public good. ". . . the good of the whole body, as all allow, is the sole end of all civil power; . . ." ¹³ The increasing wealth of nations is included as a very important part of the public good. "Every law should be intended for some real utility to the state; and as far as human power can go, laws should enjoin whatever is of consequence to the general prosperity." ¹⁴

Alienation and Externality

Let us look at specific areas in which either Hutcheson or Smith discussed government activity as a necessary complement of market activity. The negative effects of technology on the lives of individuals continues to be a matter of concern to some. Smith clearly understands the unfortunate effects of the division of labor; and his specific policy recommendations point toward subsidized universal education. ¹⁵ However, Smith leaves government with the responsibility of studying and correcting this negative effect of improvement in productive technique.

¹³Hutcheson, Short Introduction, p. 285.

¹⁴Ibid., p. 318.

¹⁵Ibid., p. 737.

The man whose whole life is spent in performing a few simple operations, of which the effects too are, perhaps, always the same, or very nearly the same, has no occasion to exert his understanding, or to exercise his invention in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become . . . His dexterity at his own particular trade seems, in this manner, to be acquired at the expense of his intellectual, social, and martial virtues. But in every improved and civilized society this is the state into which the labouring poor, that is, the great body of the people, must necessarily fall, unless government takes some pains to prevent it.¹⁶

Both Hutcheson and Smith agree that government intervention into the actions of corporations may be necessitated by criminal activity and restriction of output by corporation members (although the corporations referred to here were established by government charter). The corporations are some regulated and joint stock companies which were originally chartered to establish trade with distant parts of the world. For providing this service the companies were given exclusive privilege to the trade. Smith points out that once such trade has been established, the exclusive privilege generally leads to mismanagement or deliberate restriction of output.¹⁷ Hutcheson suggests that if exclusive privilege leads to criminal conduct either the privilege should be revoked by government or perhaps damages should be assessed against the corporation.

¹⁶Ibid., p. 735.

¹⁷Ibid., p. 691.

It may sometimes be just to take from the corporation either these privileges, or fortifications, or arms, by which the criminal members of it were encouraged or enabled to do injuries to their neighbours, if security against like injuries can be obtained in no other way. The corporation may sometimes be bound to compensate damages out of its publick stock, or even the private fortunes of its members, when the criminals can't be found, or cannot repair the damage; . . .¹⁸

The End of Liberalism?

In trying to assess the liberal political economy envisaged by Hutcheson and Smith, we must try to understand the generally optimistic outlook for mankind that these men held.¹⁹

We might follow the lead of William Ophuls who has suggested that a key element in Hobbes' Leviathan is the view that resources are in short supply which forces the war of all against all in the state of nature.²⁰ It is possible that the more sanguine outlooks of Hutcheson and Smith stemmed from views of resource abundance, although both men relied on an analysis of human nature for many

¹⁸Hutcheson, Short Introduction, p. 329.

¹⁹"Smith . . . is a thorough representative of that optimistic Deism which we have seen illustrated by Shaftesbury and Hutcheson." Leslie Stephen, History of English Thought in the Eighteenth Century II (London, 1902), p. 71.

²⁰William Ophuls, "Leviathan or Oblivion," Toward a Steady-State Economy, ed. by Herman E. Daly (San Francisco, 1973), pp. 216-217. Although the conclusions of Leviathan clearly proceed from Hobbes' analysis of the nature of man, the viewpoint of resource scarcity could be an underlying theme. "Competition of Riches, Honour, Command, or other power enclineth to Contention, Enmity, and War: Because the way of one Competitor to the attaining of his desire, is to kill, subdue, supplant, or repell the other." Hobbes Leviathan, 47-48. The necessity of killing competitors may be due to Hobbes' view of a zero-sum game.

of their conclusions. Both men were pro-natalists which would imply no concern over imminent resource limits. Smith identified prosperity with population increase. "The most decisive mark of the prosperity of any country is the increase of the number of its inhabitants."²¹ Hutcheson suggested that positive encouragement be given to an increase in population. "Encouragement should be given to marriage, and to those who rear a numerous offspring to industry."²²

This increasing population advocated by Hutcheson and Smith does not seem to imply any decreasing per capita incomes. Hutcheson states that the productivity of labor is fairly high compared to subsistence needs, and the reason for occasional low wages must be in the timidity of the workers in negotiating contracts. Procuring necessities should not be any problem for the great majority of the population.

The labours of any person sound in body and mind, are of much more value than the bare simple food and clothing of a servant; as we plainly see that such can purchase all this by thier labours, and something further for the support of a family, and even for some

²¹Smith, Wealth of Nations, p. 70.

²²Hutcheson, System II, 319. An interesting contrast can be made between Hutcheson and modern no-growth writers. Hutcheson condemned polgamy partly on the basis that it did not contribute to the populousness of a country. Hutcheson, Short Introduction, p. 260. Garrett Hardin speculates on the desirability of polygamous arrangements precisely because they might lead to a stabilization of population size. Garrett Hardin, Exploring New Ethics for Survival (Baltimore, 1973), pp. 206-211.

pleasure and ornament. If any one therefor has incautiously insisted for no more in his contract; yet as the contract is plainly onerous, he has a right to have this inequality reduced.²³

Smith was confident that the necessities of life could be acquired by any laborer. The real striving of men was not for survival but for vanity.

For to what purpose is all the toil and bustle of this world? what is the end of avarice and ambition, of the pursuit of wealth, of power, and pre-eminence? Is it to supply the necessities of nature? The wages of the meanest labourer can supply them . . . From whence, then, arises that emulation which runs through all the different ranks of men, and what are the advantages which we propose by that great purpose of human life which we call bettering our condition? To be observed, to be attended to, to be taken notice of with sympathy, complacency, and approbation, are all the advantages which we can propose to derive from it. It is the vanity, not the ease, or the pleasure, which interest us.²⁴

The view of nature that Hutcheson and Smith held led to some optimism about mankind's future. Subsistence needs could be met by the efforts of common labor. Laissez-faire provided a means of breaking down monopolistic privilege and led toward increased output and lower prices.²⁵ This tends to make the real earnings of

²³Hutcheson, Short Introduction, p. 272.

²⁴Smith, Moral Sentiments, pp. 70-71.

²⁵In fact, it seems that the system of natural liberty best suits the purpose of growth in GNP. "It is thus that every system which endeavours, either, by extraordinary encouragements, to draw towards a particular species of industry a greater share of the capital of the society than what would naturally go to it; or, by extraordinary restraints, to force from a particular species of industry some share of the capital which would otherwise be employed in it; is in reality subversive of the great purpose which it means to promote. It retards instead of accelerating, the progress of the

many people somewhat higher. Increased earnings make possible the more complete performance of good offices (Hutcheson) and the life of tranquility (Smith). In other words increased earnings aid man in achieving happiness.

A pertinent question can now be asked concerning the liberal programme which was outlined by Hutcheson and Smith. "If economic growth stops (or per capita incomes fall) will liberalism lose completely its optimistic outlook? Will liberalism cease to be a viable political programme?" The scenario painted by Paul Ehrlich and many others suggests that rapidly depleting non-renewable resources coupled with increasing population growth will lead not only to an end to economic growth but also to a decreased ability of large numbers to survive.²⁶

Let us assume for purposes of discussion that growth of real GNP will come to an end in the U.S. within the next one hundred years.²⁷ Must we abandon the system of natural liberty developed

society toward's real wealth and greatness; and diminishes, instead of increasing, the real value of the annual produce of its land and labour.

All systems either of preference or of restraint, therefore, being thus completely taken away, the obvious and simple system of natural liberty establishes itself of its own accord." Smith, Wealth of Nations, pp. 650-651.

²⁶See Paul R. Ehrlich and Anne H. Ehrlich, Population Resources Environment (San Francisco, 1972) and Donella H. Meadows, et. al. The Limits to Growth (New York, 1972).

²⁷Robert Solow points out that as yet there is no clearly perceived limit to GNP production, because of the possibility of new resource discoveries, substitutability of one resource for the other in the productive process, and technological improvement. Robert M.

by Hutcheson and Smith and embrace the authoritarian Leviathan of Hobbes? This is certainly a real possibility if a scramble for scarce resources leads to a breakdown of order. Men do have an inclination to survive, and some type of authoritarian regime may be necessary for the survival of large numbers. This does not, however, mean that this is the best regime or that survival itself is productive of human happiness. Perhaps Hutcheson and Smith did not emphasize the problem of survival because it seemed evident that any laborer could provide for the survival needs of himself and his family. The provision of human happiness played a more important part in the works of Hutcheson and Smith than the guarantee of survival. The system of natural liberty was thought to be the best way for men to achieve some measure of happiness.²⁸

Solow, "What Do We Owe to the Future?" Nebraska Journal of Economics and Business, Vol. 13, No. 1 (Winter, 1974), pp. 10-13.

²⁸Richard Easterlin suggests on the basis of thirty surveys conducted in nineteen countries, that higher income means more individual happiness. However, the surveys suggest that happiness is relative to perceived needs, and these needs are socially determined rather than being an idea of minimum survival needs. Those with a lot of goods relative to perceived needs tended to consider themselves very happy. Richard A. Easterlin, "Does Money Buy Happiness," The Public Interest (Winter, 1973), 3-9.

Smith would say that continual striving for betterment of our condition arises from vanity. Smith, Moral Sentiments, p. 71. However, in order for the majority of men to materially better their condition they must live the life of virtue required by the world of business. The life of virtue is a good life for man--a type of happiness--though not the highest happiness. For Smith the system of natural liberty served quite well in allowing large numbers to achieve perhaps the only happiness of which they were capable. Once again, this may point out the growth oriented nature of Smith's thought. Many men will seek to better their conditions under the system of natural liberty--their success implies growing GNP.

However, economic liberalism might prove very effective in providing necessities. If resources become increasingly scarce over time, liberal polity would seem to provide a fairly practical way for inducing efficient production of survival needs. Under a system of free markets very high prices (relative to other goods) for such necessities as food should induce farmers to bring more usable land under cultivation and improve productive technique in order to reap high profits. Relatively high prices for necessities should also induce wage and salary earners to concentrate their buying power on those necessities and cut down on purchases of frills such as electricity, telephones, and vacations. Thus the demand for non-essentials (relative to survival needs) would decline, causing production of non-essentials to decline, freeing resources for more essential goods production (now in high demand).

However, some visions of the future describe a different situation than a steady increase in scarcity of resources. Some extrapolations of present trends in resource use suggest that when many non-renewable resources are depleted, the population of the earth will be much larger than can be sustained by the reduced carrying capacity of the globe,²⁹ which results in a chaos of massive rioting. This scenario, if correct, seems to call for authoritarian rule simply to maintain order. The reason for the overshooting of limits of the earth by population is due to time lags in the ability of a

²⁹Meadows, Limits, p. 163.

population to change its birth rate in response to changing conditions.³⁰ The authors of Limits suggest one of the dilemmas concerning their models of the future is the laissez-faire attitude itself.

The basic behavior mode of the world system is exponential growth of population and capital, followed by collapse

The unspoken assumption behind all of the model runs we have presented in this chapter is that population and capital growth should be allowed to continue until they reach some 'natural' limit. This assumption also appears to be a basic part of the human value system currently operational in the real world. Whenever we incorporate this value into the model, the result is that the growing system rises above its ultimate limit and then collapses. When we introduce technological developments that successfully lift some restraint to growth or avoid some collapse, the system simply grows to another limit, temporarily surpasses it, and falls back. Given that first as assumption, that population and capital growth should not be deliberately limited but should be left to 'seek their own levels,' we have not been able to find a set of policies that avoids the collapse mode of behavior.³¹

In other words, the authors of Limits found that the absence of a policy of limiting short-term population and capital growth led to a serious famine situation and possible collapse of industrial production as we know it in the near future. The policy recommendation of these scientists is to take deliberate control of growth rates which means, of course, the ending of some free market activity.

Every day of continued exponential growth brings the world system closer to the ultimate limits to that growth. A decision to do nothing is a decision to increase the risk of collapse. We cannot say with certainty how much longer mankind can postpone initiating

³⁰Ibid., p. 150.

³¹Ibid., p. 149-150.

deliberate control of his growth before he will have lost the chance for control. We suspect on the basis of present knowledge of the physical constraints of the planet that the growth phase cannot continue for another one hundred years. Again, because of the delays in the system, if the global society waits until those constraints are unmistakably apparent, it will have waited too long.³²

Assuming that the extrapolations of the authors of Limits are correct, is economic planning at all compatible with economic liberalism? Perhaps Hutcheson and Smith who helped found the programme of economic liberalism can provide some wisdom which would be helpful in discussing this potential dilemma.

The public good is the thing to be sought by government. "'Tis almost superfluous to examine the reasons alleged for some divinity of one form of polity above all others. That one is truly most divine which is most adapted to the publick good."³³ If the public good requires abandonment of free market activity, it seems likely that Hutcheson and Smith would approve of such a policy. The system of natural liberty was not a fetish, but a tool for the public good. Natural liberty could be withdrawn if the situation dictated such action.

"But those exertions of the natural liberty of a few individuals, which might endanger the security of the whole society, are,

³²Ibid., p. 188.

³³Hutcheson, System II, 285.

and ought to be, restrained by the laws of all governments; of the most free, as well as the most despotical."³⁴

The most serious problem in attempting to replace the laissez-faire aspect of the liberal programme with a more thoroughly planned economy (assuming that the authors of Limits are correct in their assessment of the near future and their policy recommendations) lies in changing the propensities of the citizenry. For instance, it would seem to be very difficult to persuade man to renounce the short-term pursuit of self-interest in favor of survival needs fifty or one hundred years hence.

"'Tis well known how hard it is to make the vulgar quit their own customs for such as are far better in agriculture or mechanick arts. And how much more difficult must it be to obtain their concurrence in any great and noble designs of distant advantage to whole nations, when they cost much present labour and expence."³⁵

The principle of consent is also part of the public interest, and the willingness of the citizenry to depart from laissez-faire

³⁴Smith, Wealth of Nations, p. 308. Hutcheson makes the following statement, again pointing out the pragmatic nature of government. "But as the end of all civil power is acknowledged by all to be the safety and happiness of the whole body; any power not naturally conducive to this end is unjust; which the people, who rashly granted it under an error, may justly abolish again, when they find it necessary to their safety to do so." Hutcheson, Short Introduction, p. 302.

³⁵Hutcheson, System II, 214.

must be considered in discussing the feasibility of such a change.³⁶ In discussing the likelihood of a future slowing in economic growth, Robert Heilbroner presents the many variables that must be considered in forming expectations and arriving at policy recommendations. Certainly, this approach would be approved by Hutcheson and Smith.

For the gravity of the human prospect does not hinge alone, or even principally, on an estimate of the dangers of the knowable external challenges of the future. To a far greater extent it is shaped by our appraisal of our capacity to meet those challenges. It is the flexibility of social classes, the resilience of socio-economic orders, the behavior of nation-states, and ultimately the 'nature' of human beings that together form the basis for our expectations, optimistic or pessimistic, with regard to the human outlook.³⁷

If it becomes clear that economic growth is ending, does this mean that the laissez-faire aspect of the liberal programme will end also? Laissez-faire may be replaced by planning if large numbers of citizens agree that the public interest is best served by planning. There is nothing in the works of Hutcheson and Smith to indicate that they would oppose any policy that truly served the interests of mankind. For Hutcheson and Smith, laissez-faire was a tool meant to promote the public interest. The promotion of the public interest

³⁶"... no power generally suspected and dreaded can make a people, who are diffident of their most important interests, easy or happy; no man can justly assume to himself power over others upon any persuasion of his own superior wisdom or goodness, unless the body of the people are also persuaded of it, or consent to be subjected to such power, upon some reasonable security given them, that the power intrusted shall not be abused to their destruction." Hutcheson, Short Introduction, p. 112.

³⁷Robert L. Heilbroner, An Inquiry Into the Human Prospect (New York, 1974), p. 19.

was the primary purpose of the liberal programme, and the decision to maintain or end laissez-faire policy should be made not on ideological grounds, but on grounds of serving the public good.³⁸ This would be in the best pragmatic, liberal tradition founded by Hutcheson and Smith.

³⁸"The natural end and sole purpose of all civil power, as it is acknowledged on all sides, where men retain any remembrance of their dignity as rational creatures, is the general good of the whole body, in which the governors themselves are included as a part," Hutcheson, System II, 221.

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Title of Thesis: The Influence of Francis Hutcheson on the Development of Economic Thought

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